

# SENATE BILL 1

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CF HB 1

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By: **The President (By Request – Administration)**

Introduced and read first time: August 9, 2012

Assigned to: Budget and Taxation

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Committee Report: Favorable with amendments

Senate action: Adopted with floor amendments

Read second time: August 10, 2012

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## CHAPTER \_\_\_\_\_

1 AN ACT concerning

2 **Gaming Expansion – Video Lottery Terminals and Table Games**

3 FOR the purpose of establishing the State Lottery and Gaming Control Commission  
4 and the State Lottery and Gaming Control Agency with certain powers and  
5 duties; transferring the responsibilities of the State Lottery Commission and  
6 the State Lottery Agency to the State Lottery and Gaming Control Commission  
7 and the State Lottery and Gaming Control Agency, respectively; providing for  
8 the membership of the State Lottery and Gaming Control Commission;  
9 providing for certain qualifications, terms of office, salaries, and  
10 reimbursements of expenses for members of the State Lottery and Gaming  
11 Control Commission; altering the number of members who must concur before  
12 the State Lottery and Gaming Control Commission may act; providing for  
13 certain staffing and consultants for the State Lottery and Gaming Control  
14 Commission; requiring certain video lottery facilities to own or lease certain  
15 video lottery terminals and associated equipment and software, subject to a  
16 certain exception; requiring that certain savings related to the ownership or  
17 leasing of video lottery terminals and associated equipment and software be  
18 appropriated to the Education Trust Fund; authorizing certain counties to  
19 impose certain requirements under certain circumstances; altering the  
20 distribution of certain proceeds of video lottery terminals; altering the timing  
21 for certain transfers of funds; altering the authorized uses of a certain fund;  
22 altering the period of time and authorized use for certain local impact grants;  
23 extending certain reporting requirements; altering the staffing for the Video  
24 Lottery Facility Location Commission; repealing certain limitations on a certain  
25 video lottery facility; requiring certain applicants for a video lottery operation

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.



1 license to take certain steps before being awarded a license; requiring the  
2 Governor's Office of Minority Affairs, in consultation with the Office of the  
3 Attorney General, to provide certain assistance; requiring certain proceedings  
4 before the Board of Contract Appeals to proceed in a certain manner;  
5 authorizing certain petitions for judicial review to be heard in certain circuit  
6 courts; requiring that certain proceedings related to certain petitions for judicial  
7 review proceed in a certain manner under certain circumstances; authorizing  
8 certain parties to certain proceedings related to certain petitions for judicial  
9 review to appeal the decision of the circuit court in a certain manner;  
10 prohibiting certain persons from making certain contributions under certain  
11 circumstances; authorizing, subject to a certain contingency, the use and  
12 regulation of table games in the State; authorizing, subject to a certain  
13 contingency, an additional license to operate a video lottery facility in the State  
14 and additional video lottery terminal devices; prohibiting a certain fee under  
15 certain circumstances; prohibiting the operation of certain video lottery  
16 terminals in a certain location before a certain date; repealing, subject to a  
17 certain contingency, a limitation on the hours of operation of a video lottery  
18 facility; providing, subject to a certain contingency, for the distribution of  
19 proceeds from table games and video lottery terminals; authorizing the State  
20 Lottery and Gaming Control Commission to establish a certain annual fee;  
21 authorizing the State Lottery and Gaming Control Commission to adjust the  
22 distribution of proceeds from video lottery terminals after a certain license is  
23 awarded under certain circumstances and subject to a certain reporting  
24 requirement; altering, subject to a certain contingency, the distribution of  
25 proceeds from video lottery terminals, including certain impact grants; altering,  
26 subject to a certain contingency, the distribution of certain local impact grants;  
27 requiring, subject to a certain contingency, the State Lottery and Gaming  
28 Control Commission to take certain actions; declaring the intent of the General  
29 Assembly; requiring that certain persons submit certain campaign finance  
30 statements in a certain manner; requiring the State Board of Elections to take  
31 certain actions; providing for the expiration of the terms of the members of the  
32 State Lottery Commission and for the staggering of the terms of the initial  
33 members of the State Lottery and Gaming Control Commission; authorizing the  
34 applicant for a video lottery operation license in Prince George's County to  
35 request that the Video Lottery Facility Location Commission authorize a  
36 temporary table games facility upon the award of a video lottery operation  
37 license; requiring the State Lottery and Gaming Control Commission to make  
38 certain recommendations and prepare certain reports; providing for the transfer  
39 of certain functions, powers, duties, equipment, assets, liabilities, employees,  
40 and appropriations under certain circumstances; providing for certain employee  
41 rights if transferred; providing for the continuity of certain transactions, rights,  
42 duties, and interests; providing for the continuity of certain laws, rules and  
43 regulations, standards and guidelines, policies, orders and other directives,  
44 forms, plans, contracts, property, investigations, administrative and judicial  
45 responsibilities, rights, duties, and responsibilities; specifying that the  
46 publisher of the Annotated Code of Maryland, in consultation with the  
47 Department of Legislative Services, shall correct certain cross-references and

1 terminology; defining certain terms; altering certain definitions; submitting  
2 certain provisions of this Act to a referendum of the qualified voters of the  
3 State; providing for the effective dates of this Act; making certain provisions of  
4 this Act subject to certain contingencies; and generally relating to authorizing  
5 and regulating gaming in the State.

6 BY repealing and reenacting, without amendments,  
7 Article – State Government  
8 Section 9–101(a) and 9–1A–01(a)  
9 Annotated Code of Maryland  
10 (2009 Replacement Volume and 2011 Supplement)

11 BY repealing and reenacting, with amendments,  
12 Article – State Government  
13 Section 9–101(b) and (c), 9–103, 9–104, 9–105, 9–108, 9–109, 9–1A–01(k), (r),  
14 and (u)(2), 9–1A–02(c)(1) and (d), 9–1A–04(d), 9–1A–05(a), (c), and (d)(4),  
15 9–1A–06(a), 9–1A–10, 9–1A–11(c)(1) and (d)(2)(i), 9–1A–15(a) and (d),  
16 9–1A–18(a), 9–1A–21(a), 9–1A–23(a), 9–1A–24(c), 9–1A–26, 9–1A–27,  
17 9–1A–29(k), 9–1A–30(c), 9–1A–31(a) and (b), 9–1A–33(a), and  
18 9–1A–36(e), (f), (h)(1) and (3), (i)(1) and (3), and (l) through (s)  
19 Annotated Code of Maryland  
20 (2009 Replacement Volume and 2011 Supplement)

21 BY adding to  
22 Article – State Government  
23 Section 9–1A–01(w–1) and (w–2), 9–1A–02(b)(3), 9–1A–36(l), and 9–1A–37  
24 Annotated Code of Maryland  
25 (2009 Replacement Volume and 2011 Supplement)

26 BY adding to  
27 Article – Courts and Judicial Proceedings  
28 Section 12–309  
29 Annotated Code of Maryland  
30 (2006 Replacement Volume and 2011 Supplement)

31 BY adding to  
32 Article – Election Law  
33 Section 13–237  
34 Annotated Code of Maryland  
35 (2010 Replacement Volume and 2011 Supplement)

36 BY repealing and reenacting, with amendments,  
37 Article – State Government  
38 Section 9–1A–01(u), 9–1A–04, 9–1A–27, 9–1A–31(a) and (b), and 9–1A–36(r)  
39 Annotated Code of Maryland  
40 (2009 Replacement Volume and 2011 Supplement)  
41 (As enacted by Section 1 of this Act)

1 ~~BY repealing and reenacting, with amendments,~~  
 2 ~~Article – Election Law~~  
 3 ~~Section 13–237(a)(2), (6), and (7)~~  
 4 ~~Annotated Code of Maryland~~  
 5 ~~(2010 Replacement Volume and 2011 Supplement)~~  
 6 ~~(As enacted by Section 1 of this Act)~~

7 ~~BY adding to~~  
 8 ~~Article – Election Law~~  
 9 ~~Section 13–237(a)(6)~~  
 10 ~~Annotated Code of Maryland~~  
 11 ~~(2010 Replacement Volume and 2011 Supplement)~~  
 12 ~~(As enacted by Section 1 of this Act)~~

13 BY repealing and reenacting, with amendments,  
 14 Article – State Government  
 15 Section 9–1A–27  
 16 Annotated Code of Maryland  
 17 (2009 Replacement Volume and 2011 Supplement)  
 18 (As enacted by Section 2 of this Act)

19 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF  
 20 MARYLAND, That the Laws of Maryland read as follows:

21 **Article – State Government**

22 9–101.

23 (a) In this subtitle the following words have the meanings indicated.

24 (b) “Agency” means the State Lottery **AND GAMING CONTROL** Agency.

25 (c) “Commission” means the State Lottery **AND GAMING CONTROL**  
 26 Commission.

27 9–103.

28 There is a State Lottery **AND GAMING CONTROL** Agency.

29 9–104.

30 There is a State Lottery **AND GAMING CONTROL** Commission in the Agency.

31 9–105.

1 (a) The Commission consists of [nine] SEVEN members appointed by the  
2 Governor with the advice and consent of the Senate.

3 (b) (1) At the time of appointment, each member of the Commission shall  
4 be:

5 (i) at least 25 years old;

6 (ii) a resident of the State who has resided in the State for at  
7 least 5 years;

8 (iii) a qualified voter of the State; [and]

9 (iv) an individual who has not been convicted of or granted  
10 probation before judgment for a serious crime or a crime that involves moral turpitude  
11 or gambling; AND

12 (v) KNOWLEDGEABLE AND EXPERIENCED IN FISCAL  
13 MATTERS AND SHALL HAVE SUBSTANTIAL EXPERIENCE:

14 1. AS AN EXECUTIVE WITH FIDUCIARY  
15 RESPONSIBILITIES IN CHARGE OF A LARGE ORGANIZATION OR FOUNDATION;

16 2. IN AN ACADEMIC FIELD RELATING TO FINANCE OR  
17 ECONOMICS; OR

18 3. AS AN ACCOUNTANT, ECONOMIST, OR FINANCIAL  
19 ANALYST, OR AS A PROFESSIONAL IN A SIMILAR PROFESSION RELATING TO  
20 FISCAL MATTERS OR ECONOMICS.

21 (2) A member of the Commission may not:

22 (i) have a direct or indirect financial interest, OWNERSHIP, OR  
23 MANAGEMENT, INCLUDING HOLDING ANY STOCKS, BONDS, OR OTHER SIMILAR  
24 FINANCIAL INTERESTS IN ANY GAMING ACTIVITIES, INCLUDING [in] HORSE  
25 RACING, video lottery terminals, TABLE GAMES, OR LOTTERY;

26 (ii) have an official relationship to a person who holds a license  
27 under Subtitle 1A of this title;

28 [(iii) hold any stocks, bonds, or other financial interest in a  
29 person holding a license under Subtitle 1A of this title; or]

30 [(iv)] (III) be an elected official of State or local government;

1                   **(IV) RECEIVE OR SHARE IN, DIRECTLY OR INDIRECTLY, THE**  
2 **RECEIPTS OR PROCEEDS OF ANY GAMING ACTIVITIES, INCLUDING HORSE**  
3 **RACING, VIDEO LOTTERY TERMINALS, TABLE GAMES, OR LOTTERY; OR**

4                   **(V) HAVE A BENEFICIAL INTEREST IN ANY CONTRACT FOR**  
5 **THE MANUFACTURE OR SALE OF GAMING DEVICES, THE CONDUCT OF ANY**  
6 **GAMING ACTIVITY, OR THE PROVISION OF ANY INDEPENDENT CONSULTING**  
7 **SERVICES IN CONNECTION WITH ANY GAMING ESTABLISHMENT OR GAMING**  
8 **ACTIVITY.**

9                   (3) No more than ~~[six]~~ **FIVE** members may be of the same political  
10 party.

11                   (4) The members of the Commission shall reflect the geographic,  
12 racial, and gender makeup of the State.

13                   **(5) A MEMBER OF THE COMMISSION SHALL FILE A FINANCIAL**  
14 **DISCLOSURE STATEMENT WITH THE STATE ETHICS COMMISSION IN**  
15 **ACCORDANCE WITH TITLE 15, SUBTITLE 6 OF THIS ARTICLE.**

16           **[(c)]** The Commission shall include:

17                   (1) one member with experience in law enforcement;

18                   (2) one member with experience in a field relating to finance or  
19 investments;

20                   (3) one member who is a certified public accountant; and

21                   (4) one member with experience in a field of information technology.]

22           **[(d)] (C)** (1) The term of a member is ~~[4]~~ **5** years.

23                   (2) The terms of members are staggered **AS REQUIRED BY THE**  
24 **TERMS PROVIDED FOR MEMBERS OF THE COMMISSION ON OCTOBER 1, 2012.**

25                   (3) At the end of a term, a member continues to serve until a  
26 successor is appointed and qualifies.

27                   (4) A member who is appointed after a term has begun serves  
28 only for the rest of the term and until a successor is appointed and qualifies.

29                   **(5) A MEMBER MAY NOT SERVE FOR MORE THAN TWO FULL**  
30 **TERMS.**

1           **[(e) (D)**     (1)     Subject to the hearing requirements of this subsection, the  
2 Governor may remove a member for cause.

3                   (2)     Before the Governor removes a member, the Governor shall give  
4 the member notice and an opportunity for a public hearing.

5           **[(f) (E)**     The Governor shall appoint one member of the Commission to  
6 serve as a liaison to the State Racing Commission established under Title 11 of the  
7 Business Regulation Article.

8                   **(F)   THE COMMISSION SHALL INCLUDE AT LEAST ONE MEMBER WHO**  
9 **RESIDES IN A LOCAL JURISDICTION IN WHICH A VIDEO LOTTERY FACILITY IS**  
10 **LOCATED.**

11     9–108.

12           (a)     (1)     A majority of the full authorized membership of the Commission is  
13 a quorum.

14                   (2)     The Commission may not act unless at least ~~3~~ **4** members concur.

15           (b)     The Commission shall determine the times and places of its meetings.

16           (c)     (1)     The secretary of the Commission promptly shall send the Governor  
17 a certified copy of the minutes of each meeting of the Commission.

18                   (2)     The minutes shall include a copy of each regulation of the Agency  
19 that is adopted.

20           (d)     **[As provided in the State budget, a member of the Commission:**

21                   (1)     may receive compensation; and

22                   (2)     is entitled to reimbursement for reasonable expenses incurred in  
23 the performance of the duties as a member.]

24                   **(1)   EACH MEMBER OF THE COMMISSION IS ENTITLED TO:**

25                           **(I)   THE SALARY PROVIDED IN THE BUDGET OF THE**  
26 **COMMISSION; AND**

27                           **(II) REIMBURSEMENT FOR REASONABLE EXPENSES:**

28                                   **1.   INCURRED IN THE PERFORMANCE OF THE**  
29 **COMMISSION MEMBER'S DUTIES; AND**

1                                   **2. AS PROVIDED IN THE BUDGET OF THE**  
2 **COMMISSION.**

3                   **(2) EACH MEMBER OF THE COMMISSION SHALL BE PAID**  
4 **BIWEEKLY.**

5                   **(3) EACH MEMBER IS ENTITLED TO REIMBURSEMENT FOR**  
6 **EXPENSES UNDER THE STANDARD STATE TRAVEL REGULATIONS, AS PROVIDED**  
7 **IN THE BUDGET OF THE COMMISSION.**

8           (e) (1) With the advice of the Commission, the Director may employ  
9 deputy directors and other staff in accordance with the State budget.

10                   (2) Except as provided in paragraph (3) of this subsection or otherwise  
11 by law, the staff of the Commission is in the State Personnel Management System.

12                   (3) A deputy director is in the executive service of the State Personnel  
13 Management System. However, a deputy director may be removed only for cause after  
14 being given notice and an opportunity for a hearing.

15                   **(4) (I) THE GOVERNOR SHALL INCLUDE IN THE STATE**  
16 **BUDGET SUFFICIENT MONEY FOR THE COMMISSION TO HIRE, DEVELOP, AND**  
17 **ORGANIZE A STAFF TO PERFORM THE FUNCTIONS OF THE COMMISSION.**

18                                   **(II) AS DEEMED NECESSARY BY THE COMMISSION, THE**  
19 **COMMISSION SHALL HIRE EXPERTS INCLUDING ECONOMISTS, GAMING**  
20 **SPECIALISTS, AND LAWYERS.**

21                                   **(III) 1. THE COMMISSION SHALL CONTRACT WITH AN**  
22 **OUTSIDE CONSULTANT TO PROVIDE CONTINUAL ANALYSIS OF THE GAMING**  
23 **INDUSTRY BOTH WITHIN AND OUTSIDE THE STATE AND SUPPORT THE**  
24 **LICENSING ACTIVITIES OF THE COMMISSION AND THE VIDEO LOTTERY**  
25 **FACILITY LOCATION COMMISSION.**

26                                   **2. THE COST OF THE CONSULTANT REQUIRED**  
27 **UNDER THIS SUBPARAGRAPH MAY BE DIVIDED PROPORTIONALLY AMONG THE**  
28 **VIDEO LOTTERY OPERATION LICENSEES AS DETERMINED BY THE COMMISSION.**

29 9–109.

30           (a) In addition to the specific powers granted and duties imposed by this  
31 subtitle, the Commission has the powers and duties set forth in this section.

32           (b) (1) The Commission [may] **SHALL** conduct studies of the State lottery  
33 **AND GAMING PROGRAM** to:

1 (i) identify any defect in this subtitle, **SUBTITLE 1A OF THIS**  
2 **TITLE**, or the regulations of the Agency that may allow abuses in the operation and  
3 administration of the State lottery **OR GAMING PROGRAM** or any evasion of this  
4 subtitle, **SUBTITLE 1A OF THIS TITLE**, or the regulations;

5 (ii) guard against the use of this subtitle, **SUBTITLE 1A OF**  
6 **THIS TITLE**, and the regulations of the Agency as a means of conducting organized  
7 crime; [and]

8 (iii) ensure that the regulations of the Agency are proper and  
9 that this subtitle, **SUBTITLE 1A OF THIS TITLE**, and the regulations are  
10 administered to serve the purpose of this subtitle; **AND**

11 **(IV) ANALYZE THE GAMING INDUSTRY WITHIN AND OUTSIDE**  
12 **THE STATE TO DETERMINE WHETHER MARYLAND'S GAMING PROGRAM IS**  
13 **COMPETITIVE AND MAXIMIZING REVENUES FOR THE STATE.**

14 (2) The Commission [may] **SHALL** conduct studies of:

15 (i) the operation and administration of similar laws in other  
16 states or countries;

17 (ii) federal laws that may affect the operation of the State  
18 lottery **OR GAMING ACTIVITIES**;

19 (iii) literature on lotteries **AND GAMING ACTIVITIES,**  
20 **INCLUDING PROBLEM GAMBLING PROGRAMS**; and

21 (iv) the reaction of citizens of the State to existing and potential  
22 features of the State lottery **AND GAMING PROGRAM.**

23 (c) (1) The Commission shall submit to the Governor and, subject to §  
24 2–1246 of this article, to the General Assembly the reports required under this  
25 subsection.

26 (2) The Commission shall submit monthly a report that states the  
27 total State lottery **AND GAMING** revenues and the total prize disbursements and other  
28 expenses for the preceding month.

29 (3) The Commission shall submit annually a report that states the  
30 total State lottery **AND GAMING** revenues and the total prize disbursements and other  
31 expenses for the preceding year.

1           (4)    The Commission shall submit a report whenever a matter requires  
2 an immediate change in a State law to:

3                   (i)    prevent an abuse or evasion of this subtitle, **SUBTITLE 1A**  
4 **OF THIS TITLE**, or a regulation of the Agency; or

5                   (ii)   rectify an undesirable condition in the operation or  
6 administration of the State lottery **OR GAMING PROGRAM**.

7 9-1A-01.

8           (a)    In this subtitle the following words have the meanings indicated.

9           (k)    “Commission” means the State Lottery **AND GAMING CONTROL**  
10 Commission.

11           (u)    (2)   (i)    Subject to subparagraph (ii) of this paragraph, “proceeds”  
12 does not include money given away by a video lottery operation licensee as free  
13 promotional play and used by players to bet in a video lottery terminal.

14                   (ii)   After the first fiscal year of operations, the exclusion  
15 specified in subparagraph (i) of this paragraph may not exceed a percentage  
16 established by the Commission by regulation of the proceeds received **FROM VIDEO**  
17 **LOTTERY TERMINALS** in the prior fiscal year by the video lottery operation licensee  
18 under § 9-1A-27(a)(2) and ~~[(b)(1)(ii)]~~ **(C)(1)(II)** of this subtitle.

19 9-1A-02.

20           (c)    (1)    This subtitle authorizes the operation of video lottery terminals  
21 **[owned or leased by the State]** that are connected to a central monitor and control  
22 system owned or leased by the State that allows the Commission to monitor a video  
23 lottery terminal.

24 9-1A-04.

25           (d)    The Commission shall adopt regulations that include the following  
26 specific provisions in accordance with this subtitle:

27                   (1)    establishing the methods and forms of application that an  
28 applicant for any license required under this subtitle shall follow and complete before  
29 consideration of the application by the Commission;

30                   (2)    establishing the methods, procedures, and form for delivery of  
31 information from an applicant or licensee concerning any person’s family, habits,  
32 character, associates, criminal record, business activities, and financial affairs;

- 1           (3)     establishing the procedures for the fingerprinting of an applicant  
2 for any license required under this subtitle or other methods of identification that may  
3 be necessary in the judgment of the Commission to accomplish effective enforcement of  
4 the provisions of this subtitle;
- 5           (4)     establishing the manner and procedure of hearings conducted by  
6 the Commission;
- 7           (5)     establishing the manner and method of collection of taxes, fees,  
8 and civil penalties;
- 9           (6)     defining and limiting the areas of operation for video lottery  
10 terminals, rules of video lottery terminals, odds for video lottery terminals, the types  
11 and values of promotional items that may be given away to encourage play of video  
12 lottery terminals, and the method of operation of the video lottery terminals;
- 13           (7)     regulating the practice and procedures for negotiable transactions  
14 involving players, including limitations on the circumstances and amounts of  
15 negotiable transactions and the establishment of forms and procedures for negotiable  
16 instrument transactions, redemptions, and consolidations;
- 17           (8)     prescribing the grounds and procedures for reprimands of licensees  
18 or the revocation or suspension of licenses issued under this subtitle;
- 19           (9)     governing the manufacture, distribution, sale, and servicing of  
20 video lottery terminals;
- 21           (10)    establishing the procedures, forms, and methods of management  
22 controls;
- 23           (11)    providing for minimum uniform standards of accountancy  
24 methods, procedures, and forms as are necessary to assure consistency, comparability,  
25 and effective disclosure of all financial information, including percentages of profit for  
26 video lottery terminals;
- 27           (12)    establishing periodic financial reports and the form of the reports,  
28 including an annual audit prepared by a certified public accountant licensed to do  
29 business in the State, disclosing whether the accounts, records, and control procedures  
30 examined are maintained by the video lottery operation licensee as required by this  
31 subtitle and the regulations that shall be issued under this subtitle;
- 32           (13)    requiring licensees under this subtitle to demonstrate and  
33 maintain financial viability;
- 34           (14)    ensuring that the operation of video lottery terminals and video  
35 lottery facilities is conducted legally;

1           **(15) ESTABLISHING PROCEDURES FOR THE REMOVAL OF VIDEO**  
2 **LOTTERY TERMINALS FROM A VIDEO LOTTERY FACILITY; and**

3           **[(15)] (16)** otherwise carrying out the provisions of this subtitle.

4 9–1A–05.

5           (c) A video lottery operation license issued under this subtitle is not valid at  
6 a geographic location other than the geographic location authorized in the license  
7 awarded by the Video Lottery Facility Location Commission and issued by the State  
8 Lottery **AND GAMING CONTROL** Commission.

9           (d) (4) Notwithstanding paragraphs (1) and (2) of this subsection, an  
10 individual or business entity may enter into a management agreement to operate a  
11 facility located in Allegany County that it does not own, subject to the approval of the  
12 Video Lottery Facility Location Commission and the State Lottery **AND GAMING**  
13 **CONTROL** Commission.

14 9–1A–10.

15           (a) (1) For the construction and procurement, **INCLUDING THE**  
16 **PROCUREMENT OF EQUIPMENT AND ONGOING SERVICES,** related to the operation  
17 of video lottery terminals, the applicant or licensee shall at a minimum meet the same  
18 requirements of a designated unit for minority business participation as described  
19 under Title 14, Subtitle 3 of the State Finance and Procurement Article.

20           (2) If the county in which a video lottery facility will be located has  
21 higher minority business participation requirements than the State as described in  
22 paragraph (1) of this subsection, the applicant shall meet the county's minority  
23 business participation requirements to the extent possible.

24           **(3) A COUNTY IN WHICH A VIDEO LOTTERY FACILITY WILL BE**  
25 **LOCATED MAY IMPOSE LOCAL BUSINESS, LOCAL MINORITY BUSINESS**  
26 **PARTICIPATION, AND LOCAL HIRING REQUIREMENTS TO THE EXTENT**  
27 **AUTHORIZED BY LOCAL LAW AND PERMITTED BY THE UNITED STATES**  
28 **CONSTITUTION.**

29           **[(3)] (4)** Any collective bargaining agreement or agreements,  
30 including a project labor agreement or a neutrality agreement, entered into by an  
31 applicant or licensee may not negate the requirements of this subsection.

32           **[(4)] (5)** If an applicant for employment at a video lottery facility  
33 believes that the applicant has been discriminated against in the employment process,  
34 the applicant may appeal the employment decision to the local human relations board  
35 in the county where the facility is located.

1            **[(5)] (6)**     Notwithstanding any collective bargaining agreement or  
2 agreements, a licensee shall:

3                    (i)     provide health insurance coverage for its employees; and

4                    (ii)    give a preference to hiring qualified employees from the  
5 communities within 10 miles of the video lottery facility.

6            **[(6)] (7)**     A licensee shall:

7                    (i)     provide retirement benefits for its employees; and

8                    (ii)    if the licensee is a racetrack licensee, provide retirement  
9 benefits to its video lottery operation employees that are equivalent to the level of  
10 benefits provided to the racetrack employees who are eligible under the Maryland  
11 Racetrack Employees Pension Fund.

12           **[(7)] (8)**     Notwithstanding any collective bargaining agreement or  
13 agreements, if the licensee is a racetrack location, the licensee shall provide health  
14 insurance coverage to all employees of the racetrack, including the employees of the  
15 racetrack on the backstretch of the racetrack.

16           (b)     (1)     The Commission shall ensure that a video lottery operation  
17 licensee complies with the requirements of subsection (a)(1) and (2) of this section as a  
18 condition of holding the video lottery operation license.

19                    (2)     The Governor's Office of Minority Affairs shall monitor a licensee's  
20 compliance with subsection (a)(1) and (2) of this section.

21                    (3)     The Governor's Office of Minority Affairs shall report to the  
22 Commission at least every 6 months on the compliance of licensees with subsection  
23 (a)(1) and (2) of this section.

24                    (4)     If the Governor's Office of Minority Affairs reports that a licensee  
25 is not in compliance with subsection (a)(1) and (2) of this section, the Commission may  
26 take immediate action to ensure the compliance of the licensee.

27           (c)     On or after July 1, 2018, the provisions of subsections (a)(1) and (2) and  
28 (b) of this section and any regulations adopted under subsections (a)(1) and (2) and (b)  
29 of this section shall be of no effect and may not be enforced.

30     9-1A-11.

31           (c)     (1)     Nothing in this subtitle may be construed to prohibit a video  
32 lottery operation licensee that is issued a license from beginning video lottery terminal  
33 operations in a temporary facility that meets the minimum requirements established  
34 in regulations adopted by the State Lottery AND GAMING CONTROL Commission.

1 (d) (2) (i) Subject to subparagraph (ii) of this paragraph, for a location  
2 in Allegany County, if video lottery terminals are permanently located in the Rocky  
3 Gap Lodge and Resort and existing meeting space is eliminated as a result of the video  
4 lottery terminals, the licensee shall provide for meeting space that is accessible from  
5 the Rocky Gap Lodge and Resort within 36 months after issuance of the video lottery  
6 operation license, subject to the approval of the Video Lottery Facility Location  
7 Commission and the State Lottery AND GAMING CONTROL Commission.

8 9-1A-21.

9 (a) (1) [Each video lottery terminal device, the] **THE** central monitor and  
10 control [system,] **SYSTEM** and the associated equipment and software shall be:

11 [(1)] (I) owned or leased by the Commission; and

12 [(2)] (II) under the control of the Commission.

13 (2) (I) **EXCEPT AS PROVIDED IN SUBPARAGRAPHS (II) AND (III)**  
14 **OF THIS PARAGRAPH, EACH VIDEO LOTTERY TERMINAL DEVICE AND THE**  
15 **ASSOCIATED EQUIPMENT AND SOFTWARE SHALL BE OWNED OR LEASED BY THE**  
16 **VIDEO LOTTERY FACILITY.**

17 (II) **1. ~~FOR~~ SUBJECT TO SUBSUBPARAGRAPH 2 OF THIS**  
18 **SUBPARAGRAPH, FOR A VIDEO LOTTERY FACILITY LOCATED IN ALLEGANY**  
19 **COUNTY OR WORCESTER COUNTY, EACH VIDEO LOTTERY TERMINAL DEVICE**  
20 **AND THE ASSOCIATED EQUIPMENT AND SOFTWARE SHALL BE OWNED OR**  
21 **LEASED BY THE COMMISSION.**

22 **2. A VIDEO LOTTERY FACILITY LOCATED IN**  
23 **ALLEGANY COUNTY OR WORCESTER COUNTY MAY APPLY TO THE COMMISSION**  
24 **FOR PERMISSION TO ASSUME OWNERSHIP OR THE RIGHT TO LEASE EACH VIDEO**  
25 **LOTTERY TERMINAL DEVICE USED BY THE FACILITY.**

26 (III) **FOR A VIDEO LOTTERY FACILITY LOCATED IN ANNE**  
27 **ARUNDEL COUNTY OR CECIL COUNTY, THE COMMISSION SHALL OWN EACH**  
28 **VIDEO LOTTERY TERMINAL DEVICE AND THE ASSOCIATED EQUIPMENT AND**  
29 **SOFTWARE THROUGH MARCH 31, 2015.**

30 (3) **THE SAVINGS THAT ARE ATTRIBUTABLE TO REQUIRING VIDEO**  
31 **LOTTERY FACILITIES TO OWN OR LEASE THE VIDEO LOTTERY TERMINALS AND**  
32 **ASSOCIATED EQUIPMENT AND SOFTWARE SHALL BE APPROPRIATED TO THE**  
33 **EDUCATION TRUST FUND ESTABLISHED UNDER § 9-1A-30 OF THIS SUBTITLE**  
34 **IN THE YEAR IN WHICH THE SPENDING WOULD HAVE OTHERWISE OCCURRED.**

1 9-1A-27.

2 (a) Except as provided in [subsection (b)] **SUBSECTIONS (B) AND (C)** of this  
3 section, on a properly approved transmittal prepared by the Commission, the  
4 Comptroller shall pay the following amounts from the proceeds of video lottery  
5 terminals at each video lottery facility:

6 (1) **(I) ON OR BEFORE MARCH 31, 2015, 2% to the State Lottery**  
7 **AND GAMING CONTROL Agency for costs as defined in § 9-1A-01 of this subtitle;**  
8 **AND**

9 **(II) BEGINNING APRIL 1, 2015, 1% TO THE STATE LOTTERY**  
10 **AND GAMING CONTROL AGENCY FOR COSTS AS DEFINED IN § 9-1A-01 OF THIS**  
11 **SUBTITLE;**

12 (2) to the video lottery operation licensee, the percentage stated in the  
13 accepted application for the location, not to exceed, **EXCEPT AS PROVIDED IN**  
14 **SUBSECTION (B) OF THIS SECTION, 33%;**

15 (3) 5.5% in local impact grants, in accordance with § 9-1A-31 of this  
16 subtitle;

17 (4) 7% to the Purse Dedication Account established under § 9-1A-28  
18 of this subtitle, not to exceed a total of \$100,000,000 to the Account annually;

19 (5) for the first [8] **16** years of operations at a video lottery facility,  
20 **[2.5%] 1%** to the Racetrack Facility Renewal Account established under § 9-1A-29 of  
21 this subtitle, not to exceed a total of **[\$40,000,000] \$20,000,000** to the Account  
22 annually;

23 (6) 1.5% to the Small, Minority, and Women-Owned Businesses  
24 Account established under § 9-1A-35 of this subtitle; [and]

25 (7) **6% TO THE VIDEO LOTTERY OPERATION LICENSEE IF THE**  
26 **VIDEO LOTTERY OPERATION LICENSEE OWNS OR LEASES EACH VIDEO LOTTERY**  
27 **TERMINAL DEVICE AND THE ASSOCIATED EQUIPMENT AND SOFTWARE; AND**

28 (8) the remainder to the Education Trust Fund established under §  
29 9-1A-30 of this subtitle.

30 **(B) (1) BEGINNING JULY 1, 2013, FOR A VIDEO LOTTERY FACILITY IN**  
31 **WORCESTER COUNTY WITH LESS THAN 1,000 VIDEO LOTTERY TERMINALS, THE**  
32 **PERCENTAGE IN SUBSECTION (A)(2) OF THIS SECTION IS EQUAL TO 43%**  
33 **PROVIDED THAT EACH YEAR AN AMOUNT EQUIVALENT TO 2.5% OF THE**

1 PROCEEDS FROM VIDEO LOTTERY TERMINALS AT THE VIDEO LOTTERY FACILITY  
2 IS SPENT ON CAPITAL IMPROVEMENTS AT THE VIDEO LOTTERY FACILITY.

3 **(2) (I) AFTER 1 YEAR OF OPERATIONS AT A VIDEO LOTTERY**  
4 **FACILITY IN ALLEGANY COUNTY, THE PERCENTAGE IN SUBSECTION (C)(1)(II)**  
5 **OF THIS SECTION IS EQUAL TO 50%, PROVIDED THAT EACH YEAR AN AMOUNT**  
6 **EQUIVALENT TO 0.5% OF THE PROCEEDS FROM VIDEO LOTTERY TERMINALS AT**  
7 **THE VIDEO LOTTERY FACILITY IS SPENT ON CAPITAL IMPROVEMENTS AT THE**  
8 **VIDEO LOTTERY FACILITY; OR**

9 **(II) AFTER THE FIRST 10 YEARS OF OPERATIONS AT A VIDEO**  
10 **LOTTERY FACILITY IN ALLEGANY COUNTY, THE PERCENTAGE:**

11 ~~(H)~~ **1. IN SUBSECTION (A)(2) OF THIS SECTION IS EQUAL**  
12 **TO 43% PROVIDED THAT EACH YEAR AN AMOUNT EQUIVALENT TO 2.5% OF THE**  
13 **PROCEEDS FROM VIDEO LOTTERY TERMINALS AT THE VIDEO LOTTERY FACILITY**  
14 **IS SPENT ON CAPITAL IMPROVEMENTS AT THE VIDEO LOTTERY FACILITY; AND**

15 ~~(H)~~ **2. IN SUBSECTION (A)(1) OF THIS SECTION IS EQUAL**  
16 **TO 2%.**

17 **[(b)] (C) (1)** For the first 10 years of operations at a video lottery facility  
18 in Allegany County, on a properly approved transmittal prepared by the Commission,  
19 the Comptroller shall pay the following amounts from the proceeds of video lottery  
20 terminals at a video lottery facility in Allegany County:

21 (i) 2% to the State Lottery AND **GAMING CONTROL** Agency for  
22 costs as defined in § 9–1A–01 of this subtitle;

23 (ii) to the video lottery operation licensee, the percentage stated  
24 in the accepted application for the location, not to exceed 50%;

25 (iii) 2.75% in local impact grants, in accordance with § 9–1A–31  
26 of this subtitle;

27 (iv) 2.5% to the Purse Dedication Account established under §  
28 9–1A–28 of this subtitle;

29 (v) 0.75% to the Small, Minority, and Women–Owned  
30 Businesses Account established under § 9–1A–35 of this subtitle; and

31 (vi) the remainder to the Education Trust Fund established  
32 under § 9–1A–30 of this subtitle.

1 (2) After the first 10 years of operations at a video lottery facility in  
2 Allegany County, the proceeds generated at the facility in Allegany County shall be  
3 allocated as provided in [subsection (a)] **SUBSECTIONS (A) AND (B)** of this section.

4 **[(c)] (D)** (1) If the costs of the State Lottery **AND GAMING CONTROL**  
5 Agency are less than the proceeds specified in subsection (a)(1) of this section, any  
6 amount not distributed to the State Lottery **AND GAMING CONTROL** Agency shall be  
7 paid to the Education Trust Fund established under § 9–1A–30 of this subtitle.

8 (2) The costs of the Commission shall be as provided in the State  
9 budget.

10 9–1A–29.

11 (k) Any unencumbered funds remaining in the Racetrack Facility Renewal  
12 Account on July 1, [2018,] **2026**, shall be paid to the Education Trust Fund  
13 established under § 9–1A–30 of this subtitle.

14 9–1A–30.

15 (c) Money in the Education Trust Fund shall be used to:

16 (1) provide funding for public elementary and secondary education,  
17 through continuation of the funding and formulas established under the programs  
18 commonly known as the Bridge to Excellence in Public Schools Act, first enacted by  
19 Chapter 288 of the Acts of the General Assembly of 2002, including the funding for  
20 regional differences in the cost of education under § 5–202(f) of the Education Article;

21 (2) provide funds to construct public school buildings and provide  
22 public school capital improvements in accordance with §§ 5–301 through 5–303 of the  
23 Education Article; [and]

24 (3) provide funds for capital projects at community colleges and public  
25 senior higher education institutions; AND

26 (4) PROVIDE FUNDS TO EXPAND PUBLIC EARLY CHILDHOOD  
27 EDUCATION PROGRAMS IN THE STATE.

28 9–1A–31.

29 (a) (1) The local impact grants provided under § 9–1A–27 of this subtitle  
30 shall be distributed in the following manner:

31 (i) 82% to the local jurisdictions with video lottery facilities,  
32 based on each jurisdiction's percentage of overall gross revenues from video lottery  
33 terminals; and

1 (ii) except as provided in paragraph (2) of this subsection, for  
2 operations at a video lottery facility starting in fiscal year 2012 and ending in fiscal  
3 year ~~[2027]~~ **2032**, 18% to Baltimore City with the Pimlico Community Development  
4 Authority acting as the local development council in accordance with subsection (d) of  
5 this section, to be distributed primarily for capital projects benefiting economic and  
6 community development in the following manner:

7 1. at least 75% in a manner that is consistent with the  
8 Park Heights Master Plan; and

9 2. the remainder dedicated to the needs of:

10 A. any census blockgroup that Baltimore City identifies  
11 as being located partly or entirely within 1 mile of Pimlico Race Course but not within  
12 the boundaries of the Park Heights Master Plan; and

13 B. any neighborhood included in the Northwest  
14 Community Planning Forum Strategic Neighborhood Action Plan.

15 (2) (i) Of the amount specified under paragraph (1)(ii) of this  
16 subsection, \$1,000,000 shall be provided annually to Prince George's County to be used  
17 for capital projects in the community within 10 miles surrounding Rosecroft Raceway.

18 (ii) The Legislative Policy Committee shall report its findings  
19 and recommendations concerning the advisability of the continuation of the  
20 distribution of funds after fiscal year ~~[2027]~~ **2032** to the Comptroller and, in  
21 accordance with § 2-1246 of this article, the General Assembly, on or before November  
22 1, ~~[2025]~~ **2030**.

23 (3) Baltimore City and Prince George's County shall report to the  
24 Legislative Policy Committee by December 31 of each year as to the distribution of the  
25 funds provided under this section.

26 (b) (1) Except as otherwise provided in paragraph (2) of this subsection,  
27 local impact grants provided under subsection (a)(1)(i) of this section shall be used for  
28 improvements **PRIMARILY** in the communities in immediate proximity to the video  
29 lottery facilities and may be used for the following purposes:

30 (i) infrastructure improvements;

31 (ii) facilities;

32 (iii) public safety;

33 (iv) sanitation;

1 (v) economic and community development, including housing;  
2 and

3 (vi) other public services and improvements.

4 (2) In Allegany County, local impact grants provided under subsection  
5 (a)(1)(i) of this section may be used:

6 (i) for purposes listed in paragraph (1) of this subsection  
7 throughout the county; and

8 (ii) to pay down the debt incurred by the county in the  
9 construction and related costs for the golf course, lodge, and other improvements in  
10 Rocky Gap State Park.

11 9-1A-36.

12 (e) [(1)] The **STATE LOTTERY AND GAMING CONTROL** Commission [and  
13 the Department of Legislative Services] shall provide staff to the Video Lottery  
14 Facility Location Commission.

15 [(2) The Department of Legislative Services shall contract with an  
16 independent consultant that has at least 10 years substantial experience in consulting  
17 on matters relating to the gaming industry to assist and advise the Video Lottery  
18 Facility Location Commission in the review and analysis of applications submitted  
19 under this section.]

20 (h) (3) (i) With respect to a video lottery operation license awarded to  
21 a location under paragraph (1)(iv) of this subsection, the holder of the video lottery  
22 operation license or any other person with a direct or indirect legal or financial  
23 interest in the Ocean Downs racetrack or video lottery facility may not:

24 1. build any type of hotel, motel, or other public lodging  
25 accommodation on or within 10 miles of the property owned by the holder of the  
26 license on which a video lottery facility is operated;

27 2. convert an existing facility on or within 10 miles of  
28 the property described in item 1 of this subparagraph into any type of hotel, motel, or  
29 other public lodging accommodation; **OR**

30 3. build or operate a conference center or convention  
31 center, amusement park, [amusement rides,] arcade, or miniature golf course on or  
32 within 10 miles of the property described in item 1 of this subparagraph[]; or

33 4. offer to patrons of the video lottery facility the playing  
34 of live music, floor shows, dancing, dancing exhibitions, performances, or any other

1 form of live entertainment in or near the video lottery facility, provided that the holder  
2 of the video lottery operation license for the location under paragraph (1)(iv) of this  
3 subsection or another person with a direct or indirect legal or financial interest in the  
4 Ocean Downs racetrack or the video lottery facility may allow:

5 A. live fireworks displays to be conducted on the  
6 property; and

7 B. a single piano that is played by an individual].

8 (ii) The prohibitions under subparagraph (i) of this paragraph  
9 apply to any subsequent holder of a video lottery operation license awarded under  
10 paragraph (1)(iv) of this subsection.

11 (i) (3) (i) Beginning with the termination date for the Video Lottery  
12 Facility Location Commission and every 3 years thereafter, if all of the video lottery  
13 terminals authorized under this subtitle are not allocated or have been allocated but  
14 are not in regular operation, the State Lottery AND **GAMING CONTROL** Commission  
15 may allocate or reallocate video lottery terminals to video lottery operation licensees in  
16 a manner that ensures that the highest potential revenues are achieved.

17 (ii) In determining the highest potential revenues to be achieved  
18 by additional video lottery terminals at each potential location, the State Lottery AND  
19 **GAMING CONTROL** Commission shall consider the market performance of the  
20 existing video lottery terminals at each location.

21 **(L) (1) IF AN APPLICANT IS SEEKING INVESTORS IN THE ENTITY**  
22 **APPLYING FOR A VIDEO LOTTERY OPERATION LICENSE, IT SHALL TAKE THE**  
23 **FOLLOWING STEPS BEFORE BEING AWARDED A LICENSE BY THE VIDEO**  
24 **LOTTERY FACILITY LOCATION COMMISSION:**

25 **(I) MAKE SERIOUS, GOOD-FAITH EFFORTS TO SOLICIT AND**  
26 **INTERVIEW A REASONABLE NUMBER OF MINORITY INVESTORS;**

27 **(II) AS PART OF THE APPLICATION, SUBMIT A STATEMENT**  
28 **THAT LISTS THE NAMES AND ADDRESSES OF ALL MINORITY INVESTORS**  
29 **INTERVIEWED AND WHETHER OR NOT ANY OF THOSE INVESTORS HAVE**  
30 **PURCHASED AN EQUITY SHARE IN THE ENTITY SUBMITTING AN APPLICATION;**  
31 **AND**

32 **(III) IF AN APPLICANT IS AWARDED A LICENSE BY THE VIDEO**  
33 **LOTTERY FACILITY LOCATION COMMISSION, THE APPLICANT SHALL SIGN A**  
34 **MEMORANDUM OF UNDERSTANDING WITH THE VIDEO LOTTERY FACILITY**  
35 **LOCATION COMMISSION THAT REQUIRES THE AWARDEE TO AGAIN MAKE**  
36 **SERIOUS, GOOD-FAITH EFFORTS TO INTERVIEW MINORITY INVESTORS IN ANY**

1 FUTURE ATTEMPTS TO RAISE VENTURE CAPITAL OR ATTRACT NEW INVESTORS  
2 TO THE ENTITY AWARDED THE LICENSE.

3 (2) THE GOVERNOR'S OFFICE OF MINORITY AFFAIRS, IN  
4 CONSULTATION WITH THE OFFICE OF THE ATTORNEY GENERAL, SHALL  
5 PROVIDE ASSISTANCE TO ALL POTENTIAL APPLICANTS AND POTENTIAL  
6 MINORITY INVESTORS TO SATISFY THE REQUIREMENTS UNDER PARAGRAPH  
7 (1)(I) AND (III) OF THIS SUBSECTION.

8 [(l)] (M) The Video Lottery Facility Location Commission may not award a  
9 video lottery operation license to a person that is not qualified under this section or  
10 this subtitle.

11 [(m)] (N) (1) The Video Lottery Facility Location Commission shall refer  
12 to the State Lottery AND GAMING CONTROL Commission the name and all relevant  
13 information concerning a person that makes an application under this section.

14 (2) On receipt of the information in paragraph (1) of this subsection,  
15 the State Lottery AND GAMING CONTROL Commission shall evaluate whether an  
16 applicant is qualified to hold a video lottery operation license under this subtitle.

17 (3) On completion of its determination, the State Lottery AND  
18 GAMING CONTROL Commission shall notify the Video Lottery Facility Location  
19 Commission of its evaluation as to whether an applicant is qualified to hold a video  
20 lottery operation license under this subtitle.

21 [(n)] (O) After an award of a video lottery operation license under this  
22 section, the Video Lottery Facility Location Commission shall notify the State Lottery  
23 AND GAMING CONTROL Commission of the successful applicants.

24 [(o)] (P) After an award of a video lottery operation license under this  
25 section, the State Lottery AND GAMING CONTROL Commission shall:

26 (1) issue the video lottery operation license; and

27 (2) be responsible for all matters relating to regulation of the licensee.

28 [(p)] (Q) (1) An unsuccessful applicant for a video lottery operation  
29 license under this section may seek, under Title 15 of the State Finance and  
30 Procurement Article, review by the State Board of Contract Appeals of the awarding of  
31 the video lottery operation license by the Video Lottery Facility Location Commission.

32 (2) A PROCEEDING UNDER THIS SUBSECTION SHALL:

33 (I) TAKE PRECEDENCE ON THE BOARD'S DOCKET;

1                   **(II) BE HEARD AT THE EARLIEST PRACTICABLE DATE; AND**

2                   **(III) BE EXPEDITED IN EVERY WAY.**

3           **[(q)] (R)** (1) Nothing in this subtitle may be construed to require the  
4 Video Lottery Facility Location Commission to award all five video lottery operation  
5 licenses authorized under this subtitle.

6                   (2) Notwithstanding any of the provisions of this subtitle, the Video  
7 Lottery Facility Location Commission may not award a video lottery operation license  
8 under this subtitle unless the Video Lottery Facility Location Commission determines  
9 and declares that an applicant selected for award of the license is in the public interest  
10 and is consistent with the purposes of this subtitle.

11           **[(r)] (S)** The Video Lottery Facility Location Commission may award a  
12 video lottery operation license that is revoked or surrendered utilizing the criteria  
13 established in this subtitle.

14           **[(s)] (T)** (1) Except as provided in paragraph (2) of this subsection, the  
15 Video Lottery Facility Location Commission shall terminate on January 1, 2015.

16                   (2) The Governor may reconstitute the Video Lottery Facility Location  
17 Commission, which shall include the appointment of new members based on the  
18 criteria established under subsections (b) and (c) of this section:

19                           (i) one year prior to the expiration of a video lottery operation  
20 license; or

21                           (ii) following the revocation or surrender of a video lottery  
22 operation license.

23 **9-1A-37.**

24           **(A) (1) THE COMMISSION MAY CONSIDER AND MAKE**  
25 **RECOMMENDATIONS ON PROPOSED CHANGES TO THIS SUBTITLE, SUBTITLE 1**  
26 **OF THIS TITLE, AND ANY PROVISIONS OF ARTICLE 2B OF THE CODE THAT**  
27 **RELATE TO THE REGULATION OF ALCOHOLIC BEVERAGES AT VIDEO LOTTERY**  
28 **FACILITIES.**

29                   **(2) ON REQUEST OF THE GOVERNOR OR THE PRESIDING OFFICER**  
30 **OF EITHER HOUSE OF THE GENERAL ASSEMBLY, THE COMMISSION SHALL**  
31 **CONSIDER AND MAKE RECOMMENDATIONS ON PROPOSED CHANGES TO THIS**  
32 **SUBTITLE, SUBTITLE 1 OF THIS TITLE, AND ANY PROVISIONS OF ARTICLE 2B OF**  
33 **THE CODE THAT RELATE TO THE REGULATION OF ALCOHOLIC BEVERAGES AT**  
34 **VIDEO LOTTERY FACILITIES.**

1           **(3) A VIDEO LOTTERY FACILITY MAY REQUEST THAT THE**  
2 **COMMISSION CONSIDER AND MAKE RECOMMENDATIONS ON PROPOSED**  
3 **CHANGES TO THIS SUBTITLE AND ANY PROVISIONS OF ARTICLE 2B OF THE**  
4 **CODE THAT RELATE TO THE REGULATION OF ALCOHOLIC BEVERAGES AT VIDEO**  
5 **LOTTERY FACILITIES.**

6           **(B) (1) THE COMMISSION MAY RECOMMEND OR PROPOSE**  
7 **LEGISLATION ON ANY MATTER WITHIN OR RELATED TO THE JURISDICTION OF**  
8 **THE COMMISSION.**

9           **(2) THE COMMISSION SHALL REVIEW AND COMMENT ON ANY**  
10 **LEGISLATION INTRODUCED DURING A SESSION OF THE GENERAL ASSEMBLY**  
11 **THAT RELATES TO A MATTER WITHIN THE JURISDICTION OF THE COMMISSION.**

12                           **Article – Courts and Judicial Proceedings**

13           **12-309.**

14           **(A) A PETITION FOR JUDICIAL REVIEW OF A FINAL DECISION BY THE**  
15 **STATE BOARD OF CONTRACT APPEALS IN AN APPEAL FROM THE AWARD OF A**  
16 **VIDEO LOTTERY OPERATION LICENSE BY THE VIDEO LOTTERY FACILITY**  
17 **LOCATION COMMISSION MAY BE HEARD IN THE CIRCUIT COURT OF ANY**  
18 **COUNTY IN WHICH VENUE WOULD BE APPROPRIATE UNDER § 6-201 OF THIS**  
19 **ARTICLE.**

20           **(B) EXCEPT FOR CASES THAT THE COURT CONSIDERS TO REQUIRE A**  
21 **HIGHER PRIORITY, A PROCEEDING UNDER THIS SECTION, INCLUDING ANY**  
22 **SUBSEQUENT APPELLATE JUDICIAL REVIEW, SHALL:**

23                           **(1) TAKE PRECEDENCE ON THE COURT’S DOCKET;**

24                           **(2) BE HEARD AT THE EARLIEST PRACTICABLE DATE; AND**

25                           **(3) BE EXPEDITED IN EVERY WAY.**

26           **(C) NOTWITHSTANDING ANY OTHER PROVISION OF LAW, A PARTY TO A**  
27 **PROCEEDING UNDER THIS SECTION MAY APPEAL THE DECISION OF THE**  
28 **CIRCUIT COURT ONLY BY A PETITION TO THE COURT OF APPEALS FOR THE**  
29 **ISSUANCE OF A WRIT OF CERTIORARI.**

30                           **Article – Election Law**

31           **13-237.**

1 (A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE  
2 MEANINGS INDICATED.

3 ~~(2) "GAMING ACTIVITY" MEANS VIDEO LOTTERY AUTHORIZED BY~~  
4 ~~THIS STATE UNDER TITLE 9, SUBTITLE 1A OF THE STATE GOVERNMENT~~  
5 ~~ARTICLE.~~

6 ~~(3) "KEY EMPLOYEE" MEANS AN INDIVIDUAL WHO, ACTING AS AN~~  
7 ~~AGENT OR EMPLOYEE OF A PERSON OR LICENSEE, SUPERVISES MORE THAN TWO~~  
8 ~~AGENTS OR EMPLOYEES OF THE PERSON OR LICENSEE AUTHORIZED TO ENGAGE~~  
9 ~~IN GAMING ACTIVITY IN THIS STATE.~~

10 ~~(4) "LICENSEE" HAS THE MEANING STATED IN § 9-1A-01 OF THE~~  
11 ~~STATE GOVERNMENT ARTICLE.~~

12 ~~(5) (2) "OWN" HAS THE MEANING STATED IN § 9-1A-01 OF THE~~  
13 ~~STATE GOVERNMENT ARTICLE.~~

14 ~~(6) (3) "VIDEO LOTTERY FACILITY" HAS THE MEANING STATED~~  
15 ~~IN § 9-1A-01 OF THE STATE GOVERNMENT ARTICLE.~~

16 ~~(7) (4) "VIDEO LOTTERY TERMINAL OPERATION LICENSE" HAS~~  
17 ~~THE MEANING STATED IN § 9-1A-01 OF THE STATE GOVERNMENT ARTICLE.~~

18 (B) THIS SECTION APPLIES TO THE FOLLOWING PERSONS:

19 (1) AN APPLICANT FOR A VIDEO LOTTERY OPERATION LICENSE  
20 ~~TO ENGAGE IN GAMING ACTIVITY IN THIS STATE;~~; AND

21 ~~(2) A LICENSEE OR OTHER PERSON AUTHORIZED TO ENGAGE IN~~  
22 ~~GAMING ACTIVITY IN THIS STATE;~~

23 ~~(3) A HOLDING COMPANY, INTERMEDIARY COMPANY, OR A~~  
24 ~~SUBSIDIARY COMPANY OF;~~

25 ~~(I) AN APPLICANT FOR A LICENSE TO ENGAGE IN GAMING~~  
26 ~~ACTIVITY IN THIS STATE; OR~~

27 ~~(II) A LICENSEE OR OTHER PERSON AUTHORIZED TO~~  
28 ~~ENGAGE IN GAMING ACTIVITY IN THIS STATE;~~

29 ~~(4) A KEY EMPLOYEE OF, OR PERSON OR AGENT ON BEHALF OF;~~

30 ~~(I) AN APPLICANT FOR A LICENSE TO ENGAGE IN GAMING~~

1 ~~ACTIVITY IN THIS STATE; OR~~

2 ~~(H) A LICENSEE OR OTHER PERSON AUTHORIZED TO~~  
 3 ~~ENGAGE IN GAMING ACTIVITY IN THIS STATE; OR~~

4 ~~(5) (2)~~ A PERSON WHO OWNS AN INTEREST IN THE OPERATION  
 5 OF A VIDEO LOTTERY ~~TERMINAL OR OTHER GAMING ACTIVITY~~ FACILITY IN THIS  
 6 STATE.

7 (C) THIS SECTION DOES NOT APPLY TO GAMING ACTIVITY THAT AN  
 8 ELIGIBLE ORGANIZATION IS AUTHORIZED TO CONDUCT UNDER THE CRIMINAL  
 9 LAW ARTICLE.

10 (D) A PERSON SUBJECT TO THIS SECTION MAY NOT, DIRECTLY OR  
 11 INDIRECTLY, MAKE A CONTRIBUTION TO:

12 (1) THE CAMPAIGN FINANCE ENTITY OF A CANDIDATE FOR ANY  
 13 PUBLIC OFFICE IN THE STATE;

14 (2) THE CAMPAIGN FINANCE ENTITY OF A POLITICAL PARTY IN  
 15 THE STATE; OR

16 (3) ANY OTHER CAMPAIGN FINANCE ENTITY ORGANIZED IN  
 17 SUPPORT OF:

18 (I) A CANDIDATE FOR ANY PUBLIC OFFICE IN THE STATE;  
 19 OR

20 (II) A POLITICAL PARTY IN THE STATE.

21 SECTION 2. AND BE IT FURTHER ENACTED, That the Laws of Maryland  
 22 read as follows:

23 **Article – State Government**

24 9-1A-01.

25 (r) “Manufacturer” means a person:

26 (1) (I) that is engaged in the business of designing, building,  
 27 constructing, assembling, manufacturing, or distributing a central monitor and control  
 28 system, video lottery terminals, associated equipment or software, or the cabinet in  
 29 which a video lottery terminal is housed;

1            ~~[(2)]~~ **(II)** that produces a product that is intended for sale, lease, or  
2 other assignment to the Commission or a licensee; and

3            ~~[(3)]~~ **(III)** that contracts with the Commission or a licensee for the  
4 sale, lease, or other assignment of a product described in [paragraph (1) of this  
5 subsection] **ITEM (I) OF THIS ITEM; OR**

6            **(2) (I) THAT IS ENGAGED IN THE BUSINESS OF DESIGNING,  
7 BUILDING, CONSTRUCTING, ASSEMBLING, MANUFACTURING, OR DISTRIBUTING  
8 TABLE GAMES OR TABLE GAME EQUIPMENT;**

9            **(II) THAT PRODUCES A PRODUCT RELATED TO TABLE  
10 GAMES THAT IS INTENDED FOR SALE, LEASE, OR OTHER ASSIGNMENT TO A  
11 LICENSEE; AND**

12            **(III) THAT CONTRACTS WITH A LICENSEE FOR THE SALE,  
13 LEASE, OR OTHER ASSIGNMENT OF A PRODUCT DESCRIBED IN ITEM (I) OF THIS  
14 ITEM.**

15            (u) (1) “Proceeds” means the part of the amount of money bet through  
16 video lottery terminals **AND TABLE GAMES** that is not returned to successful players  
17 but is otherwise allocated under this subtitle.

18            (2) (i) Subject to subparagraph (ii) of this paragraph, “proceeds”  
19 does not include money given away by a video lottery operation licensee as free  
20 promotional play and used by players to bet in a video lottery terminal.

21            (ii) After the first fiscal year of operations, the exclusion  
22 specified in subparagraph (i) of this paragraph may not exceed a percentage  
23 established by the Commission by regulation of the proceeds received from video  
24 lottery terminals in the prior fiscal year by the video lottery operation licensee under §  
25 9–1A–27(a)(2) and (c)(1)(ii) of this subtitle.

26            **(W–1) “TABLE GAME EQUIPMENT” MEANS EQUIPMENT THAT IS RELATED  
27 TO THE OPERATION OF TABLE GAMES AND THAT IS OWNED OR LEASED BY THE  
28 VIDEO LOTTERY FACILITY AND LOCATED ON THE VIDEO LOTTERY FACILITY’S  
29 PREMISES.**

30            **(W–2) “TABLE GAMES” MEANS:**

31            **(1) ROULETTE, BACCARAT, BLACKJACK, CRAPS, BIG SIX WHEEL,  
32 MINIBACCARAT, POKER, PAI GOW POKER, AND SIC BO, OR ANY VARIATION AND  
33 COMPOSITES OF SUCH GAMES; AND**

1           **(2) GAMING TOURNAMENTS IN WHICH PLAYERS COMPETE**  
2 **AGAINST ONE ANOTHER IN ONE OR MORE OF THE GAMES AUTHORIZED UNDER**  
3 **ITEM (1) OF THIS SUBSECTION.**

4 9-1A-02.

5           **(b) (3) THE COMMISSION SHALL REGULATE THE OPERATION OF**  
6 **TABLE GAMES IN ACCORDANCE WITH THIS SUBTITLE.**

7           (d) Only a person with a video lottery operation license issued under this  
8 subtitle may offer a video lottery terminal **AND TABLE GAMES** for public use in the  
9 State under this subtitle.

10 9-1A-04.

11           (a) The Commission shall:

12                   (1) promptly and in reasonable order, make a determination on license  
13 applications and causes affecting the granting or renewal of licenses under this  
14 subtitle;

15                   (2) issue licenses in accordance with this subtitle;

16                   (3) after a hearing, promptly and in reasonable order, make a  
17 determination on the suspension or revocation of licenses under this subtitle;

18                   (4) after a hearing, suspend or revoke as applicable the license of a  
19 licensee who has a license suspended or revoked in another state;

20                   (5) conduct hearings concerning civil violations of this subtitle or  
21 regulations issued under this subtitle;

22                   (6) collect application, license, and other fees to cover the  
23 administrative costs of this subtitle related to licensing;

24                   (7) deposit application, license, and other fees to a bank account that  
25 the State Treasurer designates to the credit of the State Lottery Fund to cover the  
26 administrative costs of this subtitle related to licensing;

27                   (8) levy and collect civil penalties for civil violations of the provisions  
28 of this subtitle or regulations issued under this subtitle;

29                   (9) be present at a video lottery operation through its employees and  
30 agents at any time during the operation of any video lottery terminal **OR TABLE**  
31 **GAME** for the purpose of certifying revenue from the video lottery terminals **OR**  
32 **TABLE GAMES**, receiving complaints from the public, and conducting any other

1 investigation into the operation of the video lottery terminals **OR TABLE GAMES** and  
2 the maintenance of the video lottery terminals and associated equipment and software  
3 **AND TABLE GAMES AND TABLE GAME EQUIPMENT** as the Commission may deem  
4 necessary and proper; [and]

5 (10) review and rule on any complaint by a licensee regarding any  
6 investigative procedures of the Commission that are unnecessarily disruptive of video  
7 lottery **AND TABLE GAMES** operations; **AND**

8 (11) **AUTHORIZE A HOLDER OF A VIDEO LOTTERY OPERATION**  
9 **LICENSE UNDER THIS SUBTITLE TO OFFER TABLE GAMES TO THE PUBLIC IN THE**  
10 **STATE.**

11 (b) The Commission may:

12 (1) issue subpoenas to compel the attendance of witnesses at any place  
13 within the State in the course of any investigation or hearing under this subtitle;

14 (2) administer oaths and require testimony under oath before the  
15 Commission in the course of any investigation or hearing conducted under this  
16 subtitle;

17 (3) serve or cause to be served its process or notices in a manner  
18 provided for service of process in civil actions under the Maryland Rules; and

19 (4) propound written interrogatories.

20 (c) Except as otherwise provided in this subtitle, the Commission shall  
21 conduct a hearing in the same manner as specified in Title 10, Subtitle 2 of this  
22 article.

23 (d) The Commission shall adopt regulations that include the following  
24 specific provisions in accordance with this subtitle:

25 (1) establishing the methods and forms of application that an  
26 applicant for any license required under this subtitle shall follow and complete before  
27 consideration of the application by the Commission;

28 (2) establishing the methods, procedures, and form for delivery of  
29 information from an applicant or licensee concerning any person's family, habits,  
30 character, associates, criminal record, business activities, and financial affairs;

31 (3) establishing the procedures for the fingerprinting of an applicant  
32 for any license required under this subtitle or other methods of identification that may  
33 be necessary in the judgment of the Commission to accomplish effective enforcement of  
34 the provisions of this subtitle;

1                   (4)    establishing the manner and procedure of hearings conducted by  
2 the Commission;

3                   (5)    establishing the manner and method of collection of taxes, fees,  
4 and civil penalties;

5                   (6)    defining and limiting the areas of operation for video lottery  
6 terminals **AND TABLE GAMES**, rules of video lottery terminals **AND TABLE GAMES**,  
7 odds for video lottery terminals **AND TABLE GAMES**, the types and values of  
8 promotional items that may be given away to encourage play of video lottery terminals  
9 **AND TABLE GAMES**, [and] the method of operation of the video lottery terminals **AND**  
10 **TABLE GAMES, AND THE NUMBER AND TYPES OF TABLE GAMES;**

11                   (7)    regulating the practice and procedures for negotiable transactions  
12 involving players, including limitations on the circumstances and amounts of  
13 negotiable transactions and the establishment of forms and procedures for negotiable  
14 instrument transactions, redemptions, and consolidations;

15                   (8)    prescribing the grounds and procedures for reprimands of licensees  
16 or the revocation or suspension of licenses issued under this subtitle;

17                   (9)    governing the manufacture, distribution, sale, and servicing of  
18 video lottery terminals **AND TABLE GAMES;**

19                   (10)   establishing the procedures, forms, and methods of management  
20 controls;

21                   (11)   providing for minimum uniform standards of accountancy  
22 methods, procedures, and forms as are necessary to assure consistency, comparability,  
23 and effective disclosure of all financial information, including percentages of profit for  
24 video lottery terminals **AND TABLE GAMES;**

25                   (12)   establishing periodic financial reports and the form of the reports,  
26 including an annual audit prepared by a certified public accountant licensed to do  
27 business in the State, disclosing whether the accounts, records, and control procedures  
28 examined are maintained by the video lottery operation licensee as required by this  
29 subtitle and the regulations that shall be issued under this subtitle;

30                   (13)   requiring licensees under this subtitle to demonstrate and  
31 maintain financial viability;

32                   (14)   ensuring that the operation of video lottery terminals, **TABLE**  
33 **GAMES**, and video lottery facilities is conducted legally;

1 (15) establishing procedures for the removal of video lottery terminals  
2 from a video lottery facility; [and]

3 (16) DETERMINING THE SUITABILITY OF:

4 (I) THE USE OF ANY VARIATIONS OR COMPOSITES OF THE  
5 TABLE GAMES AUTHORIZED UNDER THIS SUBTITLE AFTER AN APPROPRIATE  
6 TEST OR EXPERIMENTAL PERIOD UNDER TERMS AND CONDITIONS THAT THE  
7 COMMISSION MAY DEEM APPROPRIATE; AND

8 (II) ANY OTHER GAME THAT IS COMPATIBLE WITH THE  
9 PUBLIC INTEREST AND SUITABLE FOR CASINO USE AFTER AN APPROPRIATE  
10 TEST OR EXPERIMENTAL PERIOD DEEMED APPROPRIATE BY THE COMMISSION;

11 (17) ESTABLISHING PROCEDURES FOR ACCOUNTING FOR ALL  
12 MONEY EXCHANGED AT EACH TABLE GAME;

13 (18) ESTABLISHING THE NUMBER OF VIDEO LOTTERY TERMINALS  
14 THAT MAY BE REMOVED FROM A VIDEO LOTTERY FACILITY TO ACCOMMODATE  
15 TABLE GAMES; AND

16 [(16)] (19) otherwise carrying out the provisions of this subtitle.

17 (e) (1) The Commission shall by regulation require an applicant or  
18 licensee to file a bond for the benefit of the State for the faithful performance of the  
19 requirements imposed by this subtitle and any regulations issued under this subtitle.

20 (2) An applicant or licensee shall obtain and submit satisfactory proof  
21 of the bond to the Commission before a license is issued or reissued.

22 (3) The bonds furnished may be applied by the Commission to the  
23 payment of an unpaid liability of the licensee.

24 (4) The Commission by regulation may exempt categories of video  
25 lottery AND TABLE GAME employees who are not directly involved in the video lottery  
26 AND TABLE GAME operations from the requirements of this subsection if the  
27 Commission determines that the requirement is not necessary in order to protect the  
28 public interest or accomplish the policies established under this subtitle.

29 (f) (1) The Commission shall promptly and thoroughly investigate all  
30 applications and enforce this subtitle and regulations that are adopted under this  
31 subtitle.

32 (2) The Commission and its employees and agents shall have the  
33 authority, without notice and without warrant, to:

1 (i) inspect and examine all premises in which video lottery AND  
2 **TABLE GAME** operations under this subtitle are conducted or any authorized **TABLE**  
3 **GAMES, TABLE GAME EQUIPMENT**, video lottery terminals, central monitor and  
4 control system, or associated equipment and software designed, built, constructed,  
5 assembled, manufactured, sold, distributed, or serviced, or in which records of those  
6 activities are prepared or maintained;

7 (ii) inspect any **TABLE GAMES, TABLE GAME EQUIPMENT**,  
8 video lottery terminals, central monitor and control system, or associated equipment  
9 and software in, about, on, or around those premises;

10 (iii) seize summarily and remove from those premises and  
11 impound, or assume physical control of, any **TABLE GAMES, TABLE GAME**  
12 **EQUIPMENT**, video lottery terminals, central monitor and control system, or  
13 associated equipment and software for the purposes of examination and inspection;

14 (iv) inspect, examine, and audit books, records, and documents  
15 concerning a licensee's video lottery AND **TABLE GAME** operations, including the  
16 financial records of a parent corporation, subsidiary corporation, or similar business  
17 entity; and

18 (v) seize, impound, or assume physical control of books, records,  
19 ledgers, cash boxes and their contents, a counting room or its equipment, or other  
20 physical objects relating to video lottery OR **TABLE GAME** operations.

21 (3) A licensee shall authorize any other person having financial  
22 records relating to the licensee to provide those records to the Commission.

23 **(G) THE COMMISSION MAY NOT CHARGE A VIDEO LOTTERY FACILITY A**  
24 **FEE TO OFFER TABLE GAMES.**

25 **(H) THE COMMISSION MAY NOT PERMIT THE OPERATION OF VIDEO**  
26 **LOTTERY TERMINALS IN PRINCE GEORGE'S COUNTY BEFORE THE EARLIER OF**  
27 **JULY 1, 2016, OR 30 MONTHS AFTER THE VIDEO LOTTERY FACILITY IN**  
28 **BALTIMORE CITY IS OPEN TO THE PUBLIC.**

29 9-1A-05.

30 (a) The Video Lottery Facility Location Commission established under §  
31 9-1A-36 of this subtitle may not:

32 (1) award more than [five] **SIX** video lottery operation licenses;

33 (2) award more than [15,000] **16,500** video lottery terminals for  
34 operation at video lottery facilities in the State;

1 (3) subject to the requirements of § 9–1A–36(h) and (i) of this subtitle,  
2 award more than 4,750 terminals for operation at any video lottery facility; and

3 (4) for a location in Allegany County:

4 (i) award a video lottery operation license to an applicant that  
5 does not agree to purchase the Rocky Gap Lodge and Resort; and

6 (ii) notwithstanding § 9–1A–36(i)(2) of this subtitle, award more  
7 than [1,000] **1,500** video lottery terminals for operation at a video lottery facility in  
8 Allegany County.

9 9–1A–06.

10 (a) The following persons shall be licensed under this subtitle:

11 (1) a video lottery operator;

12 (2) a manufacturer;

13 (3) a person not licensed under item (1) or (2) of this subsection who  
14 manages, operates, supplies, provides security for, or provides service, maintenance, or  
15 repairs for video lottery terminals **OR TABLE GAMES**; and

16 (4) a video lottery employee.

17 9–1A–15.

18 (a) **(1)** Unless a manufacturer holds a valid manufacturer's license issued  
19 by the Commission before conducting business with a licensee or the State, the  
20 manufacturer may not offer any video lottery terminal, central monitor and control  
21 system, associated equipment or software, or goods or services that directly relate to  
22 the operation of video lottery terminals under this subtitle.

23 **(2) UNLESS A MANUFACTURER HOLDS A VALID MANUFACTURER'S**  
24 **LICENSE ISSUED BY THE COMMISSION BEFORE CONDUCTING BUSINESS WITH A**  
25 **LICENSEE, THE MANUFACTURER MAY NOT OFFER ANY TABLE GAMES OR TABLE**  
26 **GAME EQUIPMENT UNDER THIS SUBTITLE.**

27 (d) **(1)** A manufacturer of the video lottery terminals, central monitor and  
28 control system, and associated equipment and software shall manufacture or  
29 distribute the video lottery terminals, central monitor and control system, and  
30 associated equipment and software that meet specifications and procedures  
31 established by the Commission.

1           **(2) A MANUFACTURER OF TABLE GAMES AND TABLE GAME**  
2 **EQUIPMENT SHALL MANUFACTURE OR DISTRIBUTE THE TABLE GAMES AND**  
3 **TABLE GAME EQUIPMENT THAT MEET SPECIFICATIONS AND PROCEDURES**  
4 **ESTABLISHED BY THE COMMISSION.**

5 9-1A-18.

6           (a) Because the public has a vital interest in video lottery **AND TABLE GAME**  
7 operations and has established a limited exception to the policy of the State concerning  
8 gambling for private gain, participation in video lottery **AND TABLE GAME** operations  
9 by a licensee under this subtitle shall be deemed a revocable privilege conditioned on  
10 the proper and continued qualification of the licensee and on the discharge of the  
11 affirmative responsibility of each licensee to provide to the regulatory and  
12 investigatory authorities under this subtitle or any other provision of law, any  
13 assistance and information necessary to assure that the policies declared by this  
14 subtitle are achieved.

15 9-1A-23.

16           (a) [(1) Except as provided in paragraph (2) of this subsection, a video  
17 lottery facility may operate daily from 8 a.m. to 2 a.m.

18           (2) A video lottery facility may extend operations until 4 a.m. on  
19 Saturday and 4 a.m. on Sunday.] **A VIDEO LOTTERY FACILITY MAY OPERATE 24**  
20 **HOURS A DAY.**

21 9-1A-24.

22           (c) A video lottery operation licensee shall ensure that intoxicated  
23 individuals and individuals under the age of 21 years are not allowed to play video  
24 lottery terminals **OR TABLE GAMES** and are not allowed in areas of the video lottery  
25 facility where video lottery terminals **OR TABLE GAMES** are located.

26 9-1A-26.

27           (a) (1) Except as provided in paragraph (2) of this subsection, all proceeds  
28 from the operation of video lottery terminals **AND TABLE GAMES** shall be  
29 electronically transferred daily into the State Lottery Fund established under Subtitle  
30 1 of this title and distributed as provided under § 9-1A-27 of this subtitle.

31           (2) The requirement under paragraph (1) of this subsection does not  
32 apply on a day when State government is closed.

33           (b) (1) The Commission shall account to the Comptroller for all of the  
34 revenue under this subtitle.

1           (2)    The proceeds from video lottery terminals **AND TABLE GAMES**  
2 shall be under the control of the Comptroller and shall be distributed as provided  
3 under § 9-1A-27 of this subtitle.

4           (c)    The admissions and amusement tax may not be imposed on any proceeds  
5 from the operation of video lottery terminals **AND TABLE GAMES**.

6 9-1A-27.

7           (a)    Except as provided in subsections (b) and (c) of this section, on a properly  
8 approved transmittal prepared by the Commission, the Comptroller shall pay the  
9 following amounts from the proceeds of video lottery terminals at each video lottery  
10 facility:

11                   (1)    (i)    on or before March 31, 2015, 2% to the State Lottery and  
12 Gaming Control Agency for costs as defined in § 9-1A-01 of this subtitle; and

13                               (ii)   beginning April 1, 2015, 1% to the State Lottery and Gaming  
14 Control Agency for costs as defined in § 9-1A-01 of this subtitle;

15                   (2)    to the video lottery operation licensee, the percentage stated in the  
16 accepted application for the location, not to exceed, except as provided in subsection (b)  
17 of this section, 33%;

18                   (3)    5.5% in local impact grants, in accordance with § 9-1A-31 of this  
19 subtitle;

20                   (4)    7% to the Purse Dedication Account established under § 9-1A-28  
21 of this subtitle, not to exceed a total of \$100,000,000 to the Account annually;

22                   (5)    for the first 16 years of operations at a video lottery facility, 1% to  
23 the Racetrack Facility Renewal Account established under § 9-1A-29 of this subtitle,  
24 not to exceed a total of \$20,000,000 to the Account annually;

25                   (6)    1.5% to the Small, Minority, and Women-Owned Businesses  
26 Account established under § 9-1A-35 of this subtitle;

27                   (7)    6% to the video lottery operation licensee if the video lottery  
28 operation licensee owns or leases each video lottery terminal device and the associated  
29 equipment and software; [and]

30                   (8)    **BEGINNING AFTER THE ISSUANCE OF A VIDEO LOTTERY**  
31 **OPERATION LICENSE FOR A VIDEO LOTTERY FACILITY IN PRINCE GEORGE'S**  
32 **COUNTY, 5% TO THE VIDEO LOTTERY OPERATION LICENSEE IN ANNE ARUNDEL**  
33 **COUNTY AND BALTIMORE CITY FOR:**

1                   **(I)    MARKETING, ADVERTISING, AND PROMOTIONAL COSTS**  
2 **REQUIRED UNDER § 9-1A-23 OF THIS SUBTITLE; AND**

3                   **(II)   CAPITAL IMPROVEMENTS AT THE VIDEO LOTTERY**  
4 **FACILITIES; AND**

5                   **[(8)] (9)**    the remainder to the Education Trust Fund established  
6 under § 9-1A-30 of this subtitle.

7           (b)   (1)   Beginning July 1, 2013, for a video lottery facility in Worcester  
8 County with less than 1,000 video lottery terminals, the percentage in subsection  
9 (a)(2) of this section is equal to 43% provided that each year an amount equivalent to  
10 2.5% of the proceeds from video lottery terminals at the video lottery facility is spent  
11 on capital improvements at the video lottery facility.

12                   (2)   (i)   After 1 year of operations at a video lottery facility in  
13 Allegany County, the percentage in subsection (c)(1)(ii) of this section is equal to 50%,  
14 provided that each year an amount equivalent to 0.5% of the proceeds from video  
15 lottery terminals at the video lottery facility is spent on capital improvements at the  
16 video lottery facility; or

17                               (ii)   after the first 10 years of operations at a video lottery  
18 facility in Allegany County, the percentage:

19                               ~~(i)~~   **1.**    in subsection (a)(2) of this section is equal to 43%  
20 provided that each year an amount equivalent to 2.5% of the proceeds from video  
21 lottery terminals at the video lottery facility is spent on capital improvements at the  
22 video lottery facility; and

23                               ~~(ii)~~   **2.**    in subsection (a)(1) of this section is equal to 2%.

24                   **(3)    FOR A VIDEO LOTTERY FACILITY IN PRINCE GEORGE'S**  
25 **COUNTY, THE PERCENTAGE IN SUBSECTION (A)(2) OF THIS SECTION STATED IN**  
26 **THE ACCEPTED APPLICATION FOR THE LOCATION MAY NOT EXCEED 38%.**

27           (c)   (1)   For the first 10 years of operations at a video lottery facility in  
28 Allegany County, on a properly approved transmittal prepared by the Commission, the  
29 Comptroller shall pay the following amounts from the proceeds of video lottery  
30 terminals at a video lottery facility in Allegany County:

31                               (i)    2% to the State Lottery and Gaming Control Agency for  
32 costs as defined in § 9-1A-01 of this subtitle;

33                               (ii)   to the video lottery operation licensee, the percentage stated  
34 in the accepted application for the location, not to exceed 50%;

1 (iii) 2.75% in local impact grants, in accordance with § 9–1A–31  
2 of this subtitle;

3 (iv) 2.5% to the Purse Dedication Account established under §  
4 9–1A–28 of this subtitle;

5 (v) 0.75% to the Small, Minority, and Women–Owned  
6 Businesses Account established under § 9–1A–35 of this subtitle; and

7 (vi) the remainder to the Education Trust Fund established  
8 under § 9–1A–30 of this subtitle.

9 (2) After the first 10 years of operations at a video lottery facility in  
10 Allegany County, the proceeds generated at the facility in Allegany County shall be  
11 allocated as provided in subsections (a) and (b) of this section.

12 **(D) ON A PROPERLY APPROVED TRANSMITTAL PREPARED BY THE**  
13 **COMMISSION, THE COMPTROLLER SHALL PAY 80% OF THE PROCEEDS OF**  
14 **TABLE GAMES AT EACH VIDEO LOTTERY FACILITY TO THE VIDEO LOTTERY**  
15 **OPERATION LICENSEE AND THE REMAINDER TO THE EDUCATION TRUST FUND**  
16 **ESTABLISHED UNDER § 9–1A–30 OF THIS SUBTITLE.**

17 **[(d)] (E) (1)** If the costs of the State Lottery and Gaming Control Agency  
18 are less than the proceeds specified in subsection (a)(1) of this section, any amount not  
19 distributed to the State Lottery and Gaming Control Agency shall be paid to the  
20 Education Trust Fund established under § 9–1A–30 of this subtitle.

21 (2) The costs of the Commission shall be as provided in the State  
22 budget.

23 9–1A–33.

24 (a) **(1)** The Commission shall:

25 **[(1)] (I)** establish an annual fee of \$425, to be paid by each video  
26 lottery operation licensee, for each video lottery terminal operated by the licensee  
27 during the year, based on the maximum number of terminal positions in use during  
28 the year; and

29 **[(2)] (II)** distribute the fees collected under item [(1)](I) of this  
30 [subsection] PARAGRAPH to the Problem Gambling Fund established in subsection  
31 (b) of this section.

32 **(2) THE COMMISSION MAY ESTABLISH AN ANNUAL FEE OF UP TO**  
33 **\$500 FOR EACH TABLE GAME TO BE PAID BY EACH VIDEO LOTTERY OPERATION**  
34 **LICENSEE AND DISTRIBUTED TO THE PROBLEM GAMBLING FUND UNDER**

1 SUBSECTION (B) OF THIS SECTION IN ORDER TO ENSURE SUFFICIENT FUNDS  
2 ARE AVAILABLE TO PROVIDE REQUESTED SERVICES.

3 9-1A-36.

4 (f) The Video Lottery Facility Location Commission may award not more  
5 than ~~[five]~~ **SIX** video lottery operation licenses to qualified applicants, through a  
6 competitive process consistent with the process for competitive sealed proposals under  
7 Title 13 of the State Finance and Procurement Article.

8 (h) (1) In order to qualify for a video lottery operation license under this  
9 section, a proposed video lottery facility shall be located in one of the following  
10 counties:

11 (i) a location in Anne Arundel County, within 2 miles of MD  
12 Route 295;

13 (ii) a location in Cecil County, within 2 miles of Interstate 95;

14 (iii) a location on State property associated with the Rocky Gap  
15 State Park in Allegany County;

16 (iv) a location in Worcester County, within 1 mile of the  
17 intersection of Route 50 and Route 589; [or]

18 (v) a location in Baltimore City that is:

19 1. located:

20 A. in a nonresidential area;

21 B. within one-half mile of Interstate 95;

22 C. within one-half mile of MD Route 295; and

23 D. on property that is owned by Baltimore City on the  
24 date on which the application for a video lottery operation license is submitted; and

25 2. not adjacent to or within one-quarter mile of property  
26 that is:

27 A. zoned for residential use; and

28 B. used for a residential dwelling on the date the  
29 application for a video lottery operation license is submitted; **OR**

1                   **(VI) A LOCATION IN PRINCE GEORGE’S COUNTY WITHIN 4**  
2 ~~**MILES A 4-MILE RADIUS**~~ **OF THE INTERSECTION OF BOCK ROAD AND ST.**  
3 **BARNABAS ROAD.**

4           (i)   (1)   Except as provided in paragraphs (2) and (3) of this subsection, the  
5 Video Lottery Facility Location Commission may not allocate more than the following  
6 number of video lottery terminals for:

7                   (i)   a location in Anne Arundel County – 4,750 video lottery  
8 terminals;

9                   (ii)   a location in Baltimore City – 3,750 video lottery terminals;

10                  (iii)   a location in Cecil County – 2,500 video lottery terminals;

11                   **(IV) A LOCATION IN PRINCE GEORGE’S COUNTY – 3,000**  
12 **VIDEO LOTTERY TERMINALS;**

13                   [(iv)] **(V)**   a location in Rocky Gap State Park (Allegany County)  
14 ~~–[1,000]~~ **1,500** video lottery terminals; and

15                   [(v)] **(VI)**   a location in Worcester County – 2,500 video lottery  
16 terminals.

17           (r)   (1)   Nothing in this subtitle may be construed to require the Video  
18 Lottery Facility Location Commission to award all [five] **SIX** video lottery operation  
19 licenses authorized under this subtitle.

20                   (2)   Notwithstanding any of the provisions of this subtitle, the Video  
21 Lottery Facility Location Commission may not award a video lottery operation license  
22 under this subtitle unless the Video Lottery Facility Location Commission determines  
23 and declares that an applicant selected for award of the license is in the public interest  
24 and is consistent with the purposes of this subtitle.

25 9–1A–37.

26           **(C) (1) SUBJECT TO PARAGRAPHS (2) AND (3) OF THIS SUBSECTION,**  
27 **IF A VIDEO LOTTERY OPERATION LICENSE IS AWARDED TO A VIDEO LOTTERY**  
28 **FACILITY IN PRINCE GEORGE’S COUNTY, THE COMMISSION MAY INCREASE FOR**  
29 **A VIDEO LOTTERY FACILITY LOCATED IN ANNE ARUNDEL COUNTY OR**  
30 **BALTIMORE CITY, BY NOT MORE THAN 5% OF THE PROCEEDS FROM VIDEO**  
31 **LOTTERY TERMINALS AT THE VIDEO LOTTERY FACILITY, THE PERCENTAGE**  
32 **UNDER § 9–1A–27(A)(8) OF THIS SUBTITLE.**



1 9–1A–27.

2 (a) Except as provided in subsections (b) and (c) of this section, on a properly  
3 approved transmittal prepared by the Commission, the Comptroller shall pay the  
4 following amounts from the proceeds of video lottery terminals at each video lottery  
5 facility:

6 (1) (i) on or before March 31, 2015, 2% to the State Lottery and  
7 Gaming Control Agency for costs as defined in § 9–1A–01 of this subtitle; and

8 (ii) beginning April 1, 2015, 1% to the State Lottery and Gaming  
9 Control Agency for costs as defined in § 9–1A–01 of this subtitle;

10 (2) to the video lottery operation licensee, the percentage stated in the  
11 accepted application for the location, not to exceed, except as provided in subsection (b)  
12 of this section, 33%;

13 (3) 5.5% in local impact grants, in accordance with § 9–1A–31 of this  
14 subtitle;

15 (4) ~~7%~~ 6% to the Purse Dedication Account established under §  
16 9–1A–28 of this subtitle, not to exceed a total of \$100,000,000 to the Account annually;

17 (5) for the first 16 years of operations at a video lottery facility, 1% to  
18 the Racetrack Facility Renewal Account established under § 9–1A–29 of this subtitle,  
19 not to exceed a total of \$20,000,000 to the Account annually;

20 (6) 1.5% to the Small, Minority, and Women–Owned Businesses  
21 Account established under § 9–1A–35 of this subtitle;

22 (7) 6% to the video lottery operation licensee if the video lottery  
23 operation licensee owns or leases each video lottery terminal device and the associated  
24 equipment and software;

25 (8) beginning after the issuance of a video lottery operation license for  
26 a video lottery facility in Prince George’s County, 5% to the video lottery operation  
27 licensee in Anne Arundel County and Baltimore City for:

28 (i) marketing, advertising, and promotional costs required  
29 under § 9–1A–23 of this subtitle; and

30 (ii) capital improvements at the video lottery facilities; and

31 (9) the remainder to the Education Trust Fund established under §  
32 9–1A–30 of this subtitle.

1 (b) (1) Beginning July 1, 2013, for a video lottery facility in Worcester  
2 County with less than 1,000 video lottery terminals, the percentage in subsection  
3 (a)(2) of this section is equal to 43% provided that each year an amount equivalent to  
4 2.5% of the proceeds from video lottery terminals at the video lottery facility is spent  
5 on capital improvements at the video lottery facility.

6 (2) (i) After 1 year of operations at a video lottery facility in  
7 Allegany County, the percentage in subsection (c)(1)(ii) of this section is equal to 50%,  
8 provided that each year an amount equivalent to 0.5% of the proceeds from video  
9 lottery terminals at the video lottery facility is spent on capital improvements at the  
10 video lottery facility;or

11 (ii) after the first 10 years of operations at a video lottery  
12 facility in Allegany County, the percentage:

13 1. in subsection (a)(2) of this section is equal to 43%  
14 provided that each year an amount equivalent to 2.5% of the proceeds from video  
15 lottery terminals at the video lottery facility is spent on capital improvements at the  
16 video lottery facility; and

17 2. in subsection (a)(1) of this section is equal to 2%.

18 (3) For a video lottery facility in Prince George's County, the  
19 percentage in subsection (a)(2) of this section stated in the accepted application for the  
20 location may not exceed 38%.

21 (c) (1) For the first 10 years of operations at a video lottery facility in  
22 Allegany County, on a properly approved transmittal prepared by the Commission, the  
23 Comptroller shall pay the following amounts from the proceeds of video lottery  
24 terminals at a video lottery facility in Allegany County:

25 (i) 2% to the State Lottery and Gaming Control Agency for  
26 costs as defined in § 9-1A-01 of this subtitle;

27 (ii) to the video lottery operation licensee, the percentage stated  
28 in the accepted application for the location, not to exceed 50%;

29 (iii) 2.75% in local impact grants, in accordance with § 9-1A-31  
30 of this subtitle;

31 (iv) 2.5% to the Purse Dedication Account established under §  
32 9-1A-28 of this subtitle;

33 (v) 0.75% to the Small, Minority, and Women-Owned  
34 Businesses Account established under § 9-1A-35 of this subtitle; and

1 (vi) the remainder to the Education Trust Fund established  
2 under § 9-1A-30 of this subtitle.

3 (2) After the first 10 years of operations at a video lottery facility in  
4 Allegany County, the proceeds generated at the facility in Allegany County shall be  
5 allocated as provided in subsections (a) and (b) of this section.

6 [(d) On a properly approved transmittal prepared by the Commission, the  
7 Comptroller shall pay 80% of the proceeds of table games at each video lottery facility  
8 to the video lottery operation licensee and the remainder to the Education Trust Fund  
9 established under § 9-1A-30 of this subtitle.]

10 (D) ON A PROPERLY APPROVED TRANSMITTAL PREPARED BY THE  
11 COMMISSION, THE COMPTROLLER SHALL PAY THE FOLLOWING AMOUNTS FROM  
12 THE PROCEEDS OF TABLE GAMES AT EACH VIDEO LOTTERY FACILITY:

13 ~~(H)~~ (1) 5% TO THE LOCAL JURISDICTION IN WHICH THE  
14 VIDEO LOTTERY FACILITY IS LOCATED, PROVIDED THAT THE PROCEEDS PAID  
15 TO BALTIMORE CITY SHALL BE USED TO FUND SCHOOL CONSTRUCTION  
16 PROJECTS;

17 ~~(H)~~ (2) 80% TO THE VIDEO LOTTERY OPERATION  
18 LICENSEE; AND

19 ~~(H)~~ (3) THE REMAINDER TO THE EDUCATION TRUST  
20 FUND ESTABLISHED UNDER § 9-1A-30 OF THIS SUBTITLE.

21 (e) (1) If the costs of the State Lottery and Gaming Control Agency are  
22 less than the proceeds specified in subsection (a)(1) of this section, any amount not  
23 distributed to the State Lottery and Gaming Control Agency shall be paid to the  
24 Education Trust Fund established under § 9-1A-30 of this subtitle.

25 (2) The costs of the Commission shall be as provided in the State  
26 budget.

27 9-1A-31.

28 (a) (1) The local impact grants provided under § 9-1A-27 of this subtitle  
29 shall be distributed [in the following manner:] AS PROVIDED IN THIS SUBSECTION.

30 (2) THE FOLLOWING AMOUNTS SHALL BE DISTRIBUTED TO THE  
31 FOLLOWING JURISDICTIONS:

32 (I) ALLEGANY COUNTY – \$200,000;

1                   **(II) CECIL COUNTY – \$200,000; AND**

2                   **(III) WORCESTER COUNTY – \$200,000.**

3                   **(3) THE REMAINING FUNDS FOR LOCAL IMPACT GRANTS SHALL**  
4 **BE DISTRIBUTED IN THE FOLLOWING MANNER:**

5                   (i) 82% to the local jurisdictions with video lottery facilities,  
6 based on each jurisdiction's percentage of overall gross revenues from video lottery  
7 terminals; and

8                   (ii) except as provided in paragraph ~~[(2)]~~ **(4)** of this subsection,  
9 for operations at a video lottery facility starting in fiscal year 2012 and ending in fiscal  
10 year 2032, 18% to Baltimore City with the Pimlico Community Development Authority  
11 acting as the local development council in accordance with subsection (d) of this  
12 section, to be distributed primarily for capital projects benefiting economic and  
13 community development in the following manner:

14                   1. at least 75% in a manner that is consistent with the  
15 Park Heights Master Plan; and

16                   2. the remainder dedicated to the needs of:

17                   A. any census blockgroup that Baltimore City identifies  
18 as being located partly or entirely within 1 mile of Pimlico Race Course but not within  
19 the boundaries of the Park Heights Master Plan; and

20                   B. any neighborhood included in the Northwest  
21 Community Planning Forum Strategic Neighborhood Action Plan.

22                   ~~[(2)]~~ **(4)** (i) Of the amount specified under paragraph ~~[(1)(ii)]~~  
23 **(3)(II)** of this subsection, \$1,000,000 shall be provided annually to Prince George's  
24 County to be used for capital projects in the community within 10 miles surrounding  
25 Rosecroft Raceway.

26                   (ii) The Legislative Policy Committee shall report its findings  
27 and recommendations concerning the advisability of the continuation of the  
28 distribution of funds after fiscal year 2032 to the Comptroller and, in accordance with  
29 § 2-1246 of this article, the General Assembly, on or before November 1, 2030.

30                   ~~[(3)]~~ **(5)** Baltimore City and Prince George's County shall report to  
31 the Legislative Policy Committee by December 31 of each year as to the distribution of  
32 the funds provided under this section.

33                   **(6) (I) THE DISTRIBUTION UNDER PARAGRAPH (3)(I) OF THIS**  
34 **SUBSECTION TO ANNE ARUNDEL COUNTY, BALTIMORE CITY, AND PRINCE**

1 **GEORGE’S COUNTY EQUALS THE SUM OF THE AMOUNTS TO BE DISTRIBUTED TO**  
 2 **ANNE ARUNDEL COUNTY, BALTIMORE CITY, AND PRINCE GEORGE’S COUNTY**  
 3 **DIVIDED BY THREE.**

4 **(II) NOTWITHSTANDING SUBPARAGRAPH (I) OF THIS**  
 5 **PARAGRAPH, THE AMOUNT DISTRIBUTED TO ANNE ARUNDEL COUNTY AND**  
 6 **BALTIMORE CITY UNDER PARAGRAPH (3)(I) OF THIS SUBSECTION MAY NOT BE**  
 7 **LESS THAN THE AMOUNT RECEIVED IN THE FISCAL YEAR BEFORE THE VIDEO**  
 8 **LOTTERY OPERATION LICENSE FOR A VIDEO LOTTERY FACILITY IN PRINCE**  
 9 **GEORGE’S COUNTY WAS ISSUED.**

10 (b) (1) Except as otherwise provided in paragraph (2) of this subsection,  
 11 local impact grants provided under subsection [(a)(1)(i)] **(A)(3)(I)** of this section shall  
 12 be used for improvements primarily in the communities in immediate proximity to the  
 13 video lottery facilities and may be used for the following purposes:

- 14 (i) infrastructure improvements;
- 15 (ii) facilities;
- 16 (iii) public safety;
- 17 (iv) sanitation;
- 18 (v) economic and community development, including housing;
- 19 and
- 20 (vi) other public services and improvements.

21 (2) In Allegany County, local impact grants provided under subsection  
 22 [(a)(1)(i)] **(A)(3)(I)** of this section may be used:

- 23 (i) for purposes listed in paragraph (1) of this subsection  
 24 throughout the county; and
- 25 (ii) to pay down the debt incurred by the county in the  
 26 construction and related costs for the golf course, lodge, and other improvements in  
 27 Rocky Gap State Park.

28 ~~Article Election Law~~

29 ~~13-237.~~

30 ~~(a) (2) “Gaming activity” means video lottery OR TABLE GAMES~~  
 31 ~~authorized by this State under Title 9, Subtitle 1A of the State Government Article.~~

1           ~~(6) “TABLE GAMES” HAS THE MEANING STATED IN § 9-1A-01 OF~~  
2 ~~THE STATE GOVERNMENT ARTICLE.~~

3           ~~[(6)] (7) “Video lottery” has the meaning stated in § 9-1A-01 of the~~  
4 ~~State Government Article.~~

5           ~~[(7)] (8) “Video lottery terminal” has the meaning stated in §~~  
6 ~~9-1A-01 of the State Government Article.~~

7           SECTION 4. AND BE IT FURTHER ENACTED, That, if a majority of the  
8 voters in Maryland voting on the question approve the question required under  
9 Section 6 of this Act, the State Lottery and Gaming Control Commission shall  
10 immediately begin the regulatory process for table games.

11           SECTION 5. AND BE IT FURTHER ENACTED, That it is the intent of the  
12 General Assembly that the Video Lottery Facility Location Commission may not  
13 award a video lottery operation license for a video lottery facility in Prince George’s  
14 County unless the question provided for in Section 6 of this Act is approved by a  
15 majority of the voters in Prince George’s County voting on the question.

16           SECTION 6. AND BE IT FURTHER ENACTED, That:

17           (1) In accordance with Article XIX, § 1(e) of the Maryland  
18 Constitution, before Section 2 of this Act which authorizes additional forms or  
19 expansion of commercial gaming becomes effective, a question substantially similar to  
20 the following shall be submitted to a referendum of the qualified voters of the State at  
21 the general election to be held in November of 2012:

22           “Do you favor the expansion of commercial gaming in the State of  
23 Maryland for the primary purpose of raising revenue for education to authorize video  
24 lottery operation licensees to operate “table games” as defined by law; to increase from  
25 15,000 to 16,500 the maximum number of video lottery terminals that may be  
26 operated in the State; and to increase from 5 to 6 the maximum number of video  
27 lottery operation licenses that may be awarded in the State and allow a video lottery  
28 facility to operate in Prince George’s County?”

29           (2) The State Board of Elections shall do those things necessary and  
30 proper to provide for and hold the referendum required by this section. If a majority of  
31 the votes cast on the question are “For the additional forms and expansion of  
32 commercial gaming”, Section 2 of this Act shall become effective on the 30th day  
33 following the official canvass of votes for the referendum, but if a majority of the votes  
34 cast on the question are “Against the additional forms and expansion of commercial  
35 gaming”, Section 2 of this Act is of no effect and null and void.

36           SECTION 7. AND BE IT FURTHER ENACTED, That:

37           (a) (1) In this section the following words have the meanings indicated.

1           (2) “Ballot issue committee” has the meaning stated in § 1–101(f) of  
2 the Election Law Article.

3           (3) “Campaign finance report” has the meaning stated in § 1–101(i) of  
4 the Election Law Article.

5           (4) “Campaign finance statement” means an electronic filing  
6 statement submitted to the State Board of contributions, expenditures, and  
7 outstanding obligations.

8           (5) “State Board” has the meaning stated in § 1–101(rr) of the Election  
9 Law Article.

10           (b) This section applies to:

11           (1) a ballot issue committee formed to support or oppose the question  
12 relating to this Act;

13           (2) a person required to file an independent expenditure report under  
14 § 13–306 of the Election Law Article as a result of independent expenditures to  
15 support or oppose the question relating to this Act; and

16           (3) a person required to file an electioneering communications report  
17 under § 13–307 of the Election Law Article as a result of electioneering  
18 communications to support or oppose the question relating to this Act.

19           (c) (1) From the enactment of this Act through October 21, 2012 (the  
20 transactions end date for the campaign finance report due on the second Friday,  
21 October 26, 2012, immediately preceding the November 6, 2012 general election), a  
22 person subject to this section shall submit a campaign finance statement within 48  
23 hours for any contribution of \$10,000 or more that is received and any expenditure of  
24 \$10,000 or more that is made or obligated to be made.

25           (2) From October 22, 2012 (the day following the transactions end date  
26 for the campaign finance report due on the second Friday, October 26, 2012,  
27 immediately preceding the November 6, 2012 general election) through November 9,  
28 2012 (the first Friday after the November 6, 2012 general election), a person subject to  
29 this section shall submit a campaign finance statement within 48 hours for any  
30 contribution of \$5,000 or more that is received and any expenditure of \$5,000 or more  
31 that is made or obligated to be made.

32           (d) The State Board shall:

33           (1) establish procedures and filing requirements as necessary to  
34 implement this Act; and

1           (2)     post on its Web site any campaign finance statement filed with it  
2 under this section within 24 hours after its receipt.

3           (e)     (1)     The State Board shall assess a late filing fee against any person  
4 required to file a campaign finance statement under subsection (c) of this section who  
5 fails to do so in a timely manner.

6           (2)     The late filing fee is \$500 for each day or part of a day that the  
7 campaign finance statement is overdue.

8           SECTION 8. AND BE IT FURTHER ENACTED, That the terms of the current  
9 State Lottery Commission expire on October 1, 2012, and the terms of the initial  
10 members of the State Lottery and Gaming Control Commission shall expire as follows:

11           (1)     one member in 2013;

12           (2)     one member in 2014;

13           (3)     one member in 2015;

14           (4)     two members in 2016; and

15           (5)     two members in 2017.

16           SECTION 9. AND BE IT FURTHER ENACTED, That an applicant for a video  
17 lottery operation license in Prince George's County may request that the Video Lottery  
18 Facility Location Commission authorize a temporary table games facility on the award  
19 of a video lottery operation license.

20           SECTION 10. AND BE IT FURTHER ENACTED, That, on or before December  
21 1, 2022, the State Lottery and Gaming Control Commission shall report and make  
22 recommendations to the Governor and, in accordance with § 2-1246 of the State  
23 Government Article, the General Assembly on the tax structure and competitiveness  
24 of the Maryland gaming market.

25           SECTION 11. AND BE IT FURTHER ENACTED, That, on October 1, 2012, all  
26 the functions, powers, duties, equipment, assets, liabilities, and employees of the State  
27 Lottery Commission and State Lottery Agency under Title 9, Subtitles 1 and 1A of the  
28 State Government Article shall be transferred to the State Lottery and Gaming  
29 Control Commission and State Lottery and Gaming Control Agency.

30           SECTION 12. AND BE IT FURTHER ENACTED, That all appropriations held  
31 by the State Lottery Commission and State Lottery Agency to carry out the functions  
32 and programs transferred under this Act to the State Lottery and Gaming Control  
33 Commission and State Lottery and Gaming Control Agency shall be transferred to the  
34 State Lottery and Gaming Control Commission and State Lottery and Gaming Control  
35 Agency on October 1, 2012.

1 SECTION 13. AND BE IT FURTHER ENACTED, That an employee  
2 transferred under this Act shall be appointed without further examination or  
3 qualification. The employee shall be placed in a classification that is comparable in  
4 duties and responsibilities to the employee's former position. The employee may not  
5 suffer a diminution of salary or wages, accrued leave, whether earned or granted, or  
6 seniority rights.

7 SECTION 14. AND BE IT FURTHER ENACTED, That, except as expressly  
8 provided to the contrary in this Act, any transaction affected by or flowing from any  
9 statute amended, repealed, or transferred under this Act, and validly entered into  
10 before October 1, 2012, and every right, duty, or interest flowing from the transaction,  
11 remains valid on or after October 1, 2012, and may be terminated, completed,  
12 consummated, or enforced pursuant to law.

13 SECTION 15. AND BE IT FURTHER ENACTED, That, except as otherwise  
14 provided by law, all existing laws, rules and regulations, proposed rules and  
15 regulations, standards and guidelines, policies, orders and other directives, forms,  
16 plans, contracts, property, investigations, administrative and judicial responsibilities,  
17 rights to sue and be sued, and all other duties and responsibilities associated with the  
18 functions of the State Lottery Commission and State Lottery Agency under Title 9,  
19 Subtitles 1 and 1A of the State Government Article prior to October 1, 2012, shall  
20 continue in effect under the State Lottery and Gaming Control Commission and State  
21 Lottery and Gaming Control Agency until completed, withdrawn, canceled, modified,  
22 or otherwise changed pursuant to law.

23 SECTION 16. AND BE IT FURTHER ENACTED, That the publisher of the  
24 Annotated Code of Maryland, in consultation with and subject to the approval of the  
25 Department of Legislative Services, shall correct, with no further action required by  
26 the General Assembly, cross-references and terminology rendered incorrect by this  
27 Act or by any other Act of the General Assembly of the Second Special Session of 2012  
28 that affects provisions enacted by this Act. The publishers shall adequately describe  
29 any such correction in an editor's note following the section affected.

30 SECTION 17. AND BE IT FURTHER ENACTED, That Section 3 of this Act  
31 shall take effect contingent on the issuance of a video lottery operation license for a  
32 video lottery facility in Prince George's County by the State Lottery and Gaming  
33 Control Commission.

34 SECTION 18. AND BE IT FURTHER ENACTED, That, subject to the  
35 provisions of Section 6 of this Act and for the sole purpose of providing for the  
36 referendum required by Section 6 of this Act, this Act shall take effect August 15,  
37 2012.

38 SECTION 19. AND BE IT FURTHER ENACTED, That, except as otherwise  
39 provided in this Act, this Act shall take effect October 1, 2012.

Approved:

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Governor.

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President of the Senate.

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Speaker of the House of Delegates.